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FILED MAR 06 2003

H.B. No. 1877

By: 

A BILL TO BE ENTITLED

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by
adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice
medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of
a physician's practice by another physician for a predetermined
time during the physician's absence and before the physician's
return.

(3) "Rural" means:

(A) a community located in a county with a
population not greater than 50,000;

(B) an area designated under state or federal law
as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated
by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office
shall create a program to provide affordable relief services to

1 rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office shall
14 pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS. (a)
17 The office shall assign physicians to provide relief to a rural area
18 in accordance with the following priorities:

19 (1) solo practitioners;

20 (2) counties that have fewer than seven residents per
21 square mile;

22 (3) counties that have been designated under federal
23 law as a health professional shortage area;

24 (4) counties that do not have a hospital; and

25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 SECTION 2. Section 487.051, Government Code, is amended to
16 read as follows:

17 Sec. 487.051. POWERS AND DUTIES. The office shall:

18 (1) develop a rural policy for the state in
19 consultation with local leaders representing all facets of rural
20 community life, academic and industry experts, and state elected
21 and appointed officials with interests in rural communities;

22 (2) work with other state agencies and officials to
23 improve the results and the cost-effectiveness of state programs
24 affecting rural communities through coordination of efforts;

25 (3) develop programs to improve the leadership
26 capacity of rural community leaders;

27 (4) monitor developments that have a substantial

1 effect on rural Texas communities, especially actions of state
2 government, and compile an annual report describing and evaluating
3 the condition of rural communities;

4 (5) administer the federal community development
5 block grant nonentitlement program;

6 (6) administer programs supporting rural health care
7 as provided by this chapter [~~Subchapters D-H~~];

8 (7) perform research to determine the most beneficial
9 and cost-effective ways to improve the welfare of rural
10 communities;

11 (8) ensure that the office qualifies as the state's
12 office of rural health for the purpose of receiving grants from the
13 Office of Rural Health Policy of the United States Department of
14 Health and Human Services under 42 U.S.C. Section 254r; [~~and~~]

15 (9) manage the state's Medicare rural hospital
16 flexibility program under 42 U.S.C. Section 1395i-4; and

17 (10) seek state and federal money available for
18 economic development in rural areas for programs under this
19 chapter.

20 SECTION 3. Section 106.026(b), Health and Safety Code, as
21 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
22 Regular Session, 2001, is redesignated as Section 487.056(b),
23 Government Code, and Section 487.056, Government Code, is amended
24 to read as follows:

25 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
26 January 1 of each odd-numbered year, the office shall submit a
27 biennial report to the legislature regarding the activities of the

1 office, the activities of the Rural Foundation, and any findings
2 and recommendations relating to rural issues.

3 (b) The office [~~center~~] shall obtain information from each
4 county about indigent health care provided in the county and
5 information from each university, medical school, rural community,
6 or rural health care provider that has performed a study relating to
7 rural health care during the biennium. The office [~~center~~] shall
8 include the information obtained under this subsection in the
9 office's [~~center's~~] report to the legislature.

10 SECTION 4. Subchapter H, Chapter 106, Health and Safety
11 Code, as added by Section 1, Chapter 831, Acts of the 77th
12 Legislature, Regular Session, 2001, is redesignated as Subchapter
13 K, Chapter 487, Government Code, and amended to read as follows:

14 SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
15 PROGRAM FOR STUDENTS

16 Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

17 (1) "Health care professional" means:

- 18 (A) an advanced nurse practitioner;
- 19 (B) a dentist;
- 20 (C) a dental hygienist;
- 21 (D) a laboratory technician;
- 22 (E) a licensed vocational nurse;
- 23 (F) a licensed professional counselor;
- 24 (G) a medical radiological technologist;
- 25 (H) an occupational therapist;
- 26 (I) a pharmacist;
- 27 (J) a physical therapist;

(K) a physician;
(L) a physician assistant;
(M) a psychologist;
(N) a registered nurse;
(O) a social worker;
(P) a speech-language pathologist;
(Q) a veterinarian;
(R) a chiropractor; and
(S) another appropriate health care professional
identified by the executive committee.

(2) "Program" means the community healthcare awareness and mentoring program for students established under this subchapter.

(3) "Underserved urban area" means an urban area of this state with a medically underserved population, as determined in accordance with criteria adopted by the board by rule, considering relevant demographic, geographic, and environmental factors.

Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS. (a) The executive committee shall establish a community healthcare awareness and mentoring program for students to:

(1) identify high school students in rural and underserved urban areas who are interested in serving those areas as health care professionals;

(2) identify health care professionals in rural and underserved urban areas to act as positive role models, mentors, or

1 reference resources for the interested high school students;

2 (3) introduce interested high school students to the
3 spectrum of professional health care careers through activities
4 such as health care camps and shadowing of health care
5 professionals;

6 (4) encourage a continued interest in service as
7 health care professionals in rural and underserved urban areas by
8 providing mentors and community resources for students
9 participating in training or educational programs to become health
10 care professionals; and

11 (5) provide continuing community-based support for
12 students during the period the students are attending training or
13 educational programs to become health care professionals,
14 including summer job opportunities and opportunities to mentor high
15 school students in the community.

16 (b) In connection with the program, the office [~~center~~]
17 shall establish and maintain an updated medical resource library
18 that contains information relating to medical careers. The office
19 [~~center~~] shall make the library available to school counselors,
20 students, and parents of students.

21 Sec. 487.453 [~~106.253~~]. ADMINISTRATION. (a) The office
22 [~~center~~] shall administer or contract for the administration of the
23 program.

24 (b) The office [~~center~~] may solicit and accept gifts,
25 grants, donations, and contributions to support the program.

26 (c) The office [~~center~~] may administer the program in
27 cooperation with other public and private entities.

1 (d) The office [~~center~~] shall coordinate the program with
2 similar programs, including programs relating to workforce
3 development, scholarships for education, and employment of
4 students, that are administered by other agencies, such as the
5 Texas Workforce Commission and local workforce development boards.

6 Sec. 487.454 [~~106.254~~]. GRANTS; ELIGIBILITY. (a) Subject
7 to available funds, the executive committee shall develop and
8 implement, as a component of the program, a grant program to support
9 employment opportunities in rural and underserved urban areas in
10 this state for students participating in training or educational
11 programs to become health care professionals.

12 (b) In awarding grants under the program, the executive
13 committee shall give first priority to grants to training or
14 educational programs that provide internships to students.

15 (c) To be eligible to receive a grant under the grant
16 program, a person must:

17 (1) apply for the grant on a form adopted by the
18 executive committee;

19 (2) be enrolled or intend to be enrolled in a training
20 or educational program to become a health care professional;

21 (3) commit to practice or work, after licensure as a
22 health care professional, for at least one year as a health care
23 professional in a rural or underserved urban area in this state; and

24 (4) comply fully with any practice or requirements
25 associated with any scholarship, loan, or other similar benefit
26 received by the student.

27 (d) As a condition of receiving a grant under the program

1 the student must agree to repay the amount of the grant, plus a
2 penalty in an amount established by rule of the executive committee
3 not to exceed two times the amount of the grant, if the student
4 becomes licensed as a health care professional and fails to
5 practice or work for at least one year as a health care professional
6 in a rural or underserved urban area in this state.

7 SECTION 5. Subchapter H, Chapter 106, Health and Safety
8 Code, as added by Section 1, Chapter 1112, Acts of the 77th
9 Legislature, Regular Session, 2001, is redesignated as Subchapter
10 L, Chapter 487, Government Code, and amended to read as follows:

11 SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

12 Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

13 (1) "Rural community" means a rural area as defined by
14 the office [~~center~~].

15 (2) "Medical school" has the meaning assigned by
16 Section 61.501, Education Code.

17 Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office
18 [~~center~~] may accept gifts, grants, and donations to support the
19 rural physician recruitment program.

20 Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT
21 PROGRAM. (a) The office [~~center~~] shall establish a process in
22 consultation with the Texas Higher Education Coordinating Board for
23 selecting a Texas medical school to recruit students from rural
24 communities and encourage them to return to rural communities to
25 practice medicine.

26 (b) The Texas medical school selected by the office [~~center~~]
27 shall:

1 (1) encourage high school and college students from
2 rural communities to pursue a career in medicine;

3 (2) develop a screening process to identify rural
4 students most likely to pursue a career in medicine;

5 (3) establish a rural medicine curriculum;

6 (4) establish a mentoring program for rural students;

7 (5) provide rural students with information about
8 financial aid resources available for postsecondary education; and

9 (6) establish a rural practice incentive program.

10 SECTION 6. Subchapter H, Chapter 106, Health and Safety
11 Code, as added by Section 2, Chapter 435, Acts of the 77th
12 Legislature, Regular Session, 2001, is redesignated as Subchapter
13 M, Chapter 487, Government Code, and amended to read as follows:

14 SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

15 Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

16 (1) "Health professional" means a person other than a
17 physician who holds a license, certificate, registration, permit,
18 or other form of authorization required by law or a state agency
19 rule that must be obtained by an individual to practice in a health
20 care profession.

21 (2) "Medically underserved community" means a
22 community that:

23 (A) is located in a county with a population of
24 50,000 or less;

25 (B) has been designated under state or federal
26 law as:

27 (i) a health professional shortage area; or

1 (ii) a medically underserved area; or
2 (C) has been designated as a medically
3 underserved community by the office [~~center~~].

4 Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office
5 [~~center~~] shall appoint an advisory panel to assist in the office's
6 [~~center's~~] duties under this subchapter. The advisory panel must
7 consist of at least:

8 (1) one representative from the Texas Higher Education
9 Coordinating Board;

10 (2) one representative from the institutions of higher
11 education having degree programs for the health professions
12 participating in the programs under this subchapter;

13 (3) one representative from a hospital in a medically
14 underserved community;

15 (4) one physician practicing in a medically
16 underserved community;

17 (5) one health professional, other than a physician,
18 practicing in a medically underserved community; and

19 (6) one public representative who resides in a
20 medically underserved community.

21 Sec. 487.553 [~~106.303~~]. LOAN REIMBURSEMENT PROGRAM. The
22 executive committee shall establish a program in the office
23 [~~center~~] to assist communities in recruiting health professionals
24 to practice in medically underserved communities by providing loan
25 reimbursement for health professionals who serve in those
26 communities.

27 Sec. 487.554 [~~106.304~~]. STIPEND PROGRAM. (a) The executive

1 committee shall establish a program in the office [~~center~~] to
2 assist communities in recruiting health professionals to practice
3 in medically underserved communities by providing a stipend to
4 health professionals who agree to serve in those communities.

5 (b) A stipend awarded under this section shall be paid in
6 periodic installments.

7 (c) A health professional who participates in the program
8 established under this section must establish an office and
9 residency in the medically underserved area before receiving any
10 portion of the stipend.

11 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
12 professional may receive assistance under this subchapter only if
13 the health professional signs a contract agreeing to provide health
14 care services in a medically underserved community.

15 (b) A student in a degree program preparing to become a
16 health professional may contract with the office [~~center~~] for the
17 loan reimbursement program under Section 487.553 [~~106.303~~] before
18 obtaining the license required to become a health professional.

19 (c) The office [~~center~~] may contract with a health
20 professional for part-time services under the stipend program
21 established under Section 487.554 [~~106.304~~].

22 (d) A health professional who participates in any loan
23 reimbursement program is not eligible for a stipend under Section
24 487.554 [~~106.304~~].

25 (e) A contract under this section must provide that a health
26 professional who does not provide the required services to the
27 community or provides those services for less than the required

1 time is personally liable to the state for:

2 (1) the total amount of assistance the health
3 professional received from the office [~~center~~] and the medically
4 underserved community;

5 (2) interest on the amount under Subdivision (1) at a
6 rate set by the executive committee;

7 (3) the state's reasonable expenses incurred in
8 obtaining payment, including reasonable attorney's fees; and

9 (4) a penalty as established by the executive
10 committee by rule to help ensure compliance with the contract.

11 (f) Amounts recovered under Subsection (e) shall be
12 deposited in the permanent endowment fund for the rural communities
13 health care investment program under Section 487.558 [~~106.308~~].

14 Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE
15 [~~CENTER~~]. (a) The executive committee shall adopt rules necessary
16 for the administration of this subchapter, including guidelines
17 for:

18 (1) developing contracts under which loan
19 reimbursement or stipend recipients provide services to qualifying
20 communities;

21 (2) identifying the duties of the state, state agency,
22 loan reimbursement or stipend recipient, and medically underserved
23 community under the loan reimbursement or stipend contract;

24 (3) determining a rate of interest to be charged under
25 Section 487.555(e)(2) [~~106.305(e)(2)~~];

26 (4) ensuring that a loan reimbursement or stipend
27 recipient provides access to health services to participants in

1 government-funded health benefits programs in qualifying
2 communities;

3 (5) encouraging the use of telecommunications or
4 telemedicine, as appropriate;

5 (6) prioritizing the provision of loan reimbursements
6 and stipends to health professionals who are not eligible for any
7 other state loan forgiveness, loan repayment, or stipend program;

8 (7) prioritizing the provision of loan reimbursements
9 and stipends to health professionals who are graduates of health
10 professional degree programs in this state;

11 (8) encouraging a medically underserved community
12 served by a loan reimbursement or stipend recipient to contribute
13 to the cost of the loan reimbursement or stipend when making a
14 contribution is feasible; and

15 (9) requiring a medically underserved community
16 served by a loan reimbursement or stipend recipient to assist the
17 office [~~center~~] in contracting with the loan reimbursement or
18 stipend recipient who will serve that community.

19 (b) The executive committee by rule may designate areas of
20 the state as medically underserved communities.

21 (c) The executive committee shall make reasonable efforts
22 to contract with health professionals from a variety of different
23 health professions.

24 Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND
25 TELEMEDICINE. A health professional who participates in a program
26 under this subchapter may not use telecommunication technology,
27 including telemedicine, as the sole or primary method of providing

1 services and may not use telecommunication technology as a
2 substitute for providing health care services in person. A health
3 professional who participates in a program under this subchapter
4 may use telecommunication technology only to supplement or enhance
5 the health care services provided by the health professional.

6 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
7 permanent endowment fund for the rural communities health care
8 investment program is a special fund in the treasury outside the
9 general revenue fund.

10 (b) The fund is composed of:

11 (1) money transferred to the fund at the direction of
12 the legislature;

13 (2) gifts and grants contributed to the fund;

14 (3) the returns received from investment of money in
15 the fund; and

16 (4) amounts recovered under Section 487.555(e)
17 [~~106.305(e)~~].

18 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND. (a)
19 The office [~~center~~] may administer the permanent endowment fund for
20 the rural communities health care investment program. If the
21 office [~~center~~] elects not to administer the fund, the comptroller
22 shall administer the fund.

23 (b) The administrator of the fund shall invest the fund in a
24 manner intended to preserve the purchasing power of the fund's
25 assets and the fund's annual distributions. The administrator may
26 acquire, exchange, sell, supervise, manage, or retain, through
27 procedures and subject to restrictions the administrator considers

1 appropriate, any kind of investment of the fund's assets that
2 prudent investors, exercising reasonable care, skill, and caution,
3 would acquire or retain in light of the purposes, terms,
4 distribution requirements, and other circumstances of the fund then
5 prevailing, taking into consideration the investment of all the
6 assets of the fund rather than a single investment.

7 (c) The comptroller or the office [~~center~~] may solicit and
8 accept gifts and grants to the fund.

9 (d) Annual distributions for the fund shall be determined by
10 the investment and distribution policy adopted by the administrator
11 of the fund for the fund's assets.

12 (e) Except as provided by Subsection (f), money in the fund
13 may not be used for any purpose.

14 (f) The amount available for distribution from the fund,
15 including any gift or grant, may be appropriated only for providing
16 stipends and loan reimbursement under the programs authorized by
17 this subchapter and to pay the expenses of managing the fund. The
18 expenditure of a gift or grant is subject to any limitation or
19 requirement placed on the gift or grant by the donor or granting
20 entity.

21 (g) Sections 403.095 and 404.071, Government Code, do not
22 apply to the fund. Section 404.094(d), Government Code, applies to
23 the fund.

24 Sec. 487.560 [~~406.310~~]. REPORTING REQUIREMENT. The office
25 [~~center~~] shall provide a report on the permanent endowment fund for
26 the rural communities health care investment program to the
27 Legislative Budget Board not later than November 1 of each year. The

1 report must include the total amount of money the office [~~center~~]
2 received from the fund, the purpose for which the money was used,
3 and any additional information that may be requested by the
4 Legislative Budget Board.

5 SECTION 7. Section 38.011(j), Education Code, as added by
6 Section 1, Chapter 1418, Acts of the 76th Legislature, Regular
7 Session, 1999, as amended by Section 4, Chapter 1424, Acts of the
8 77th Legislature, Regular Session, 2001, and as amended and
9 redesignated as Section 38.060(a), Education Code, by Section
10 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session,
11 2001, is reenacted to read as follows:

12 (a) This section applies only to a school-based health
13 center serving an area that:

14 (1) is located in a county with a population not
15 greater than 50,000; or

16 (2) has been designated under state or federal law as:

17 (A) a health professional shortage area;
18 (B) a medically underserved area; or
19 (C) a medically underserved community by the
20 Office of Rural Community Affairs.

21 SECTION 8. Section 61.0899, Education Code, is amended to
22 read as follows:

23 Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN
24 REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in
25 cooperation with the Office of Rural Community Affairs [~~Center for~~
26 ~~Rural Health Initiatives~~] and the office's [~~center's~~] advisory
27 panel established under Section 487.552 [~~106.302~~], Government

1 ~~[Health and Safety]~~ Code, ensure that the board seeks to obtain the
2 maximum amount of funds from any source, including federal funds,
3 to support programs to provide student loan reimbursement or
4 stipends for graduates of degree programs in this state who
5 practice or agree to practice in a medically underserved community.

6 SECTION 9. Section 110.001, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
10 Rural Community Affairs ~~[Center for Rural Health Initiatives]~~ shall
11 establish the Rural Foundation as a nonprofit corporation that
12 complies with the Texas Non-Profit Corporation Act (Article
13 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
14 otherwise provided by this chapter, and qualifies as an
15 organization exempt from federal income tax under Section
16 501(c)(3), Internal Revenue Code of 1986, as amended.

17 (b) The Office of Rural Community Affairs ~~[Center for Rural~~
18 ~~Health Initiatives]~~ shall ensure that the Rural Foundation operates
19 independently of any state agency or political subdivision of the
20 state.

21 SECTION 10. Section 110.002(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) The Rural Foundation shall develop and implement
25 policies and procedures that clearly separate the responsibilities
26 and activities of the foundation from the Office of Rural Community
27 Affairs ~~[Center for Rural Health Initiatives]~~.

1 SECTION 11. Section 110.003(a), Health and Safety Code, as
2 added by Chapter 1221, Acts of the 77th Legislature, Regular
3 Session, 2001, is amended to read as follows:

4 (a) The Rural Foundation is governed by a board of five
5 directors appointed by the executive committee of the Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
7 individuals recommended by the executive director of the Office of
8 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

9 SECTION 12. Section 110.005(c), Health and Safety Code, as
10 added by Chapter 1221, Acts of the 77th Legislature, Regular
11 Session, 2001, is amended to read as follows:

12 (c) If the executive director of the Office of Rural
13 Community Affairs [~~Center for Rural Health Initiatives~~] has
14 knowledge that a potential ground for removal exists, the executive
15 director shall notify the presiding officer of the board of
16 directors of the Rural Foundation of the potential ground. The
17 presiding officer shall then notify the governor and the attorney
18 general that a potential ground for removal exists. If the
19 potential ground for removal involves the presiding officer, the
20 executive director shall notify the next highest ranking officer of
21 the board of directors, who shall then notify the governor and the
22 attorney general that a potential ground for removal exists.

23 SECTION 13. Section 110.010, Health and Safety Code, as
24 added by Chapter 1221, Acts of the 77th Legislature, Regular
25 Session, 2001, is amended to read as follows:

26 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
27 Foundation and the Office of Rural Community Affairs [~~Center for~~

1 ~~Rural Health Initiatives~~] shall enter into a memorandum of
2 understanding that:

3 (1) requires the board of directors and staff of the
4 foundation to report to the executive director and executive
5 committee of the Office of Rural Community Affairs [~~Center for~~
6 ~~Rural Health Initiatives~~];

7 (2) allows the Office of Rural Community Affairs
8 [~~Center for Rural Health Initiatives~~] to provide staff functions to
9 the foundation;

10 (3) allows the Office of Rural Community Affairs
11 [~~Center for Rural Health Initiatives~~] to expend funds on the
12 foundation; and

13 (4) outlines the financial contributions to be made to
14 the foundation from funds obtained from grants and other sources.

15 SECTION 14. Section 110.011(a), Health and Safety Code, as
16 added by Chapter 1221, Acts of the 77th Legislature, Regular
17 Session, 2001, is amended to read as follows:

18 (a) The Rural Foundation shall maintain financial records
19 and reports independently from those of the Office of Rural
20 Community Affairs [~~Center for Rural Health Initiatives~~].

21 SECTION 15. Section 110.012, Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
25 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
26 60th day after the last day of the fiscal year, the Rural Foundation
27 shall submit to the Office of Rural Community Affairs [~~Center for~~

1 ~~Rural Health Initiatives]~~ a report itemizing all income and
2 expenditures and describing all activities of the foundation during
3 the preceding fiscal year.

4 SECTION 16. Section 155.1025(a), Occupations Code, is
5 amended to read as follows:

6 (a) The board shall adopt rules for expediting any
7 application for a license under this subtitle made by a person who
8 is licensed to practice medicine in another state or country and who
9 submits an affidavit with the application stating that:

10 (1) the applicant intends to practice in a rural
11 community, as determined by the Office of Rural Community Affairs
12 ~~[Center for Rural Health Initiatives]~~; or

13 (2) the applicant intends to:

14 (A) accept employment with an entity located in a
15 medically underserved area or health professional shortage area,
16 designated by the United States Department of Health and Human
17 Services, and affiliated with or participating in a public
18 university-sponsored graduate medical education program;

19 (B) serve on the faculty of the public
20 university-sponsored graduate medical education program; and

21 (C) engage in the practice of medicine and
22 teaching in a specialty field of medicine that is necessary to
23 obtain or maintain the accreditation of the public
24 university-sponsored graduate medical education program by the
25 Accreditation Council for Graduate Medical Education.

26 SECTION 17. Section 531.02172, Government Code, as amended
27 by Chapters 661 and 959, Acts of the 77th Legislature, Regular

1 Session, 2001, is reenacted and amended to read as follows:

2 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
3 commissioner shall establish an advisory committee to assist the
4 commission in:

5 (1) evaluating policies for telemedical consultations
6 under Section 531.0217;

7 (2) evaluating policies for telemedicine medical
8 services or telehealth services pilot programs established under
9 Section 531.02171;

10 (3) ensuring the efficient and consistent development
11 and use of telecommunication technology for telemedical
12 consultations and telemedicine medical services or telehealth
13 services reimbursed under government-funded health programs;

14 (4) monitoring the type of programs receiving
15 reimbursement under Sections 531.0217 and 531.02171; and

16 (5) coordinating the activities of state agencies
17 concerned with the use of telemedical consultations and
18 telemedicine medical services or telehealth services.

19 (b) The advisory committee must include:

20 (1) representatives of health and human services
21 agencies and other state agencies concerned with the use of
22 telemedical consultations in the Medicaid program and the state
23 child health plan program, including representatives of:

24 (A) the commission;

25 (B) the Texas Department of Health;

26 (C) the Office of Rural Community Affairs [~~Center~~
27 ~~for Rural Health Initiatives~~];

1 (D) the Telecommunications Infrastructure Fund
2 Board;

3 (E) the Texas Department of Insurance;

4 (F) the Texas State Board of Medical Examiners;

5 (G) the Board of Nurse Examiners; and

6 (H) the Texas State Board of Pharmacy;

7 (2) representatives of health science centers in this
8 state;

9 (3) experts on telemedicine, telemedical
10 consultation, and telemedicine medical services or telehealth
11 services; and

12 (4) representatives of consumers of health services
13 provided through telemedical consultations and telemedicine
14 medical services or telehealth services.

15 (c) A member of the advisory committee serves at the will of
16 the commissioner.

17 SECTION 18. The following provisions are repealed:

18 (1) Section 106.025(a), Health and Safety Code, as
19 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
20 Regular Session, 2001;

21 (2) Section 106.029, Health and Safety Code, as added
22 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
23 Session, 2001; and

24 (3) Section 106.043(b), Health and Safety Code, as
25 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
26 Regular Session, 2001.

27 SECTION 19. This Act takes effect September 1, 2003.

HOUSE COMMITTEE REPORT

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HOUSE OF REPRESENTATIVES

By: Hardcastle

H.B. No. 1877

Substitute the following for H.B. No. 1877:

By: McReynolds

C.S.H.B. No. 1877

A BILL TO BE ENTITLED

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to

1 rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office
14 shall pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.
17 (a) The office shall assign physicians to provide relief to a rural
18 area in accordance with the following priorities:

- 19 (1) solo practitioners;
20 (2) counties that have fewer than seven residents per
21 square mile;
22 (3) counties that have been designated under federal
23 law as a health professional shortage area;
24 (4) counties that do not have a hospital; and
25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
16 relief advisory committee is composed of the following members
17 appointed by the executive committee:

18 (1) a physician who practices in the area of general
19 family medicine in a rural county;

20 (2) a physician who practices in the area of general
21 internal medicine in a rural county;

22 (3) a physician who practices in the area of general
23 pediatrics in a rural county;

24 (4) a representative from an accredited Texas medical
25 school;

26 (5) a program director from an accredited primary care
27 residency program;

1 (6) a representative from the Texas Higher Education
2 Coordinating Board; and

3 (7) a representative from the Texas State Board of
4 Medical Examiners.

5 (b) The advisory committee shall assist the office in
6 administering the program.

7 SECTION 2. Section 487.051, Government Code, is amended to
8 read as follows:

9 Sec. 487.051. POWERS AND DUTIES. The office shall:

10 (1) develop a rural policy for the state in
11 consultation with local leaders representing all facets of rural
12 community life, academic and industry experts, and state elected
13 and appointed officials with interests in rural communities;

14 (2) work with other state agencies and officials to
15 improve the results and the cost-effectiveness of state programs
16 affecting rural communities through coordination of efforts;

17 (3) develop programs to improve the leadership
18 capacity of rural community leaders;

19 (4) monitor developments that have a substantial
20 effect on rural Texas communities, especially actions of state
21 government, and compile an annual report describing and evaluating
22 the condition of rural communities;

23 (5) administer the federal community development
24 block grant nonentitlement program;

25 (6) administer programs supporting rural health care
26 as provided by this chapter [~~Subchapters D-H~~];

27 (7) perform research to determine the most beneficial

1 and cost-effective ways to improve the welfare of rural
2 communities;

3 (8) ensure that the office qualifies as the state's
4 office of rural health for the purpose of receiving grants from the
5 Office of Rural Health Policy of the United States Department of
6 Health and Human Services under 42 U.S.C. Section 254r; ~~and~~

7 (9) manage the state's Medicare rural hospital
8 flexibility program under 42 U.S.C. Section 1395i-4; and

9 (10) seek state and federal money available for
10 economic development in rural areas for programs under this
11 chapter.

12 SECTION 3. Section 106.026(b), Health and Safety Code, as
13 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
14 Regular Session, 2001, is redesignated as Section 487.056(b),
15 Government Code, and Section 487.056, Government Code, is amended
16 to read as follows:

17 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
18 January 1 of each odd-numbered year, the office shall submit a
19 biennial report to the legislature regarding the activities of the
20 office, the activities of the Rural Foundation, and any findings
21 and recommendations relating to rural issues.

22 (b) The office ~~[center]~~ shall obtain information from each
23 county about indigent health care provided in the county and
24 information from each university, medical school, rural community,
25 or rural health care provider that has performed a study relating to
26 rural health care during the biennium. The office ~~[center]~~ shall
27 include the information obtained under this subsection in the

office's [~~center's~~] report to the legislature.

SECTION 4. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 831, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter K, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
PROGRAM FOR STUDENTS

Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Health care professional" means:

- (A) an advanced nurse practitioner;
- (B) a dentist;
- (C) a dental hygienist;
- (D) a laboratory technician;
- (E) a licensed vocational nurse;
- (F) a licensed professional counselor;
- (G) a medical radiological technologist;
- (H) an occupational therapist;
- (I) a pharmacist;
- (J) a physical therapist;
- (K) a physician;
- (L) a physician assistant;
- (M) a psychologist;
- (N) a registered nurse;
- (O) a social worker;
- (P) a speech-language pathologist;
- (Q) a veterinarian;
- (R) a chiropractor; and

1 (S) another appropriate health care professional
2 identified by the executive committee.

3 (2) "Program" means the community healthcare
4 awareness and mentoring program for students established under this
5 subchapter.

6 (3) "Underserved urban area" means an urban area of
7 this state with a medically underserved population, as determined
8 in accordance with criteria adopted by the board by rule,
9 considering relevant demographic, geographic, and environmental
10 factors.

11 Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND
12 MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in
13 collaboration with area health care education centers, shall
14 establish a community healthcare awareness and mentoring program
15 for students to:

16 (1) identify high school students in rural and
17 underserved urban areas who are interested in serving those areas
18 as health care professionals;

19 (2) identify health care professionals in rural and
20 underserved urban areas to act as positive role models, mentors, or
21 reference resources for the interested high school students;

22 (3) introduce interested high school students to the
23 spectrum of professional health care careers through activities
24 such as health care camps and shadowing of health care
25 professionals;

26 (4) encourage a continued interest in service as
27 health care professionals in rural and underserved urban areas by

1 providing mentors and community resources for students
2 participating in training or educational programs to become health
3 care professionals; and

4 (5) provide continuing community-based support for
5 students during the period the students are attending training or
6 educational programs to become health care professionals,
7 including summer job opportunities and opportunities to mentor high
8 school students in the community.

9 (b) In connection with the program, the office [~~center~~]
10 shall establish and maintain an updated medical resource library
11 that contains information relating to medical careers. The office
12 [~~center~~] shall make the library available to school counselors,
13 students, and parents of students.

14 Sec. 487.453 [~~106.253~~]. ADMINISTRATION. (a) The office
15 [~~center~~] shall administer or contract for the administration of the
16 program.

17 (b) The office [~~center~~] may solicit and accept gifts,
18 grants, donations, and contributions to support the program.

19 (c) The office [~~center~~] may administer the program in
20 cooperation with other public and private entities.

21 (d) The office, in consultation with area health care
22 education centers, [~~center~~] shall coordinate the program with
23 similar programs, including programs relating to workforce
24 development, scholarships for education, and employment of
25 students, that are administered by other agencies, such as the
26 Texas Workforce Commission and local workforce development boards.

27 Sec. 487.454 [~~106.254~~]. GRANTS; ELIGIBILITY. (a) Subject

1 to available funds, the executive committee shall develop and
2 implement, as a component of the program, a grant program to support
3 employment opportunities in rural and underserved urban areas in
4 this state for students participating in training or educational
5 programs to become health care professionals.

6 (b) In awarding grants under the program, the executive
7 committee shall give first priority to grants to training or
8 educational programs that provide internships to students.

9 (c) To be eligible to receive a grant under the grant
10 program, a person must:

11 (1) apply for the grant on a form adopted by the
12 executive committee;

13 (2) be enrolled or intend to be enrolled in a training
14 or educational program to become a health care professional;

15 (3) commit to practice or work, after licensure as a
16 health care professional, for at least one year as a health care
17 professional in a rural or underserved urban area in this state; and

18 (4) comply fully with any practice or requirements
19 associated with any scholarship, loan, or other similar benefit
20 received by the student.

21 (d) As a condition of receiving a grant under the program
22 the student must agree to repay the amount of the grant, plus a
23 penalty in an amount established by rule of the executive committee
24 not to exceed two times the amount of the grant, if the student
25 becomes licensed as a health care professional and fails to
26 practice or work for at least one year as a health care professional
27 in a rural or underserved urban area in this state.

SECTION 5. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 1112, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter L, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Rural community" means a rural area as defined by the office [~~center~~].

(2) "Medical school" has the meaning assigned by Section 61.501, Education Code.

Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office [~~center~~] may accept gifts, grants, and donations to support the rural physician recruitment program.

Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM. (a) The office [~~center~~] shall establish a process in consultation with the Texas Higher Education Coordinating Board for selecting [~~a~~] Texas medical schools [~~school~~] to recruit students from rural communities and encourage them to return to rural communities to practice medicine.

(b) The Texas medical schools [~~school~~] selected [~~by the center~~] shall:

(1) encourage high school and college students from rural communities to pursue a career in medicine;

(2) develop a screening process to identify rural students most likely to pursue a career in medicine;

(3) establish a rural medicine curriculum;

(4) establish a mentoring program for rural students;

(5) provide rural students with information about financial aid resources available for postsecondary education; and

(6) establish a rural practice incentive program.

SECTION 6. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter M, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

(1) "Health professional" means a person other than a physician who holds a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to practice in a health care profession.

(2) "Medically underserved community" means a community that:

(A) is located in a county with a population of 50,000 or less;

(B) has been designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) has been designated as a medically underserved community by the office [~~center~~].

Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office [~~center~~] shall appoint an advisory panel to assist in the office's

1 ~~[center's]~~ duties under this subchapter. The advisory panel must
2 consist of at least:

3 (1) one representative from the Texas Higher Education
4 Coordinating Board;

5 (2) one representative from the institutions of higher
6 education having degree programs for the health professions
7 participating in the programs under this subchapter;

8 (3) one representative from a hospital in a medically
9 underserved community;

10 (4) one physician practicing in a medically
11 underserved community;

12 (5) one health professional, other than a physician,
13 practicing in a medically underserved community; and

14 (6) one public representative who resides in a
15 medically underserved community.

16 Sec. 487.553 [~~106.303~~]. LOAN REIMBURSEMENT PROGRAM. The
17 executive committee shall establish a program in the office
18 ~~[center]~~ to assist communities in recruiting health professionals
19 to practice in medically underserved communities by providing loan
20 reimbursement for health professionals who serve in those
21 communities.

22 Sec. 487.554 [~~106.304~~]. STIPEND PROGRAM. (a) The
23 executive committee shall establish a program in the office
24 ~~[center]~~ to assist communities in recruiting health professionals
25 to practice in medically underserved communities by providing a
26 stipend to health professionals who agree to serve in those
27 communities.

1 (b) A stipend awarded under this section shall be paid in
2 periodic installments.

3 (c) A health professional who participates in the program
4 established under this section must establish an office and
5 residency in the medically underserved area before receiving any
6 portion of the stipend.

7 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
8 professional may receive assistance under this subchapter only if
9 the health professional signs a contract agreeing to provide health
10 care services in a medically underserved community.

11 (b) A student in a degree program preparing to become a
12 health professional may contract with the office [~~center~~] for the
13 loan reimbursement program under Section 487.553 [~~106.303~~] before
14 obtaining the license required to become a health professional.

15 (c) The office [~~center~~] may contract with a health
16 professional for part-time services under the stipend program
17 established under Section 487.554 [~~106.304~~].

18 (d) A health professional who participates in any loan
19 reimbursement program is not eligible for a stipend under Section
20 487.554 [~~106.304~~].

21 (e) A contract under this section must provide that a health
22 professional who does not provide the required services to the
23 community or provides those services for less than the required
24 time is personally liable to the state for:

25 (1) the total amount of assistance the health
26 professional received from the office [~~center~~] and the medically
27 underserved community;

1 (2) interest on the amount under Subdivision (1) at a
2 rate set by the executive committee;

3 (3) the state's reasonable expenses incurred in
4 obtaining payment, including reasonable attorney's fees; and

5 (4) a penalty as established by the executive
6 committee by rule to help ensure compliance with the contract.

7 (f) Amounts recovered under Subsection (e) shall be
8 deposited in the permanent endowment fund for the rural communities
9 health care investment program under Section 487.558 [~~106.308~~].

10 Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE
11 [~~CENTER~~]. (a) The executive committee shall adopt rules necessary
12 for the administration of this subchapter, including guidelines
13 for:

14 (1) developing contracts under which loan
15 reimbursement or stipend recipients provide services to qualifying
16 communities;

17 (2) identifying the duties of the state, state agency,
18 loan reimbursement or stipend recipient, and medically underserved
19 community under the loan reimbursement or stipend contract;

20 (3) determining a rate of interest to be charged under
21 Section 487.555(e)(2) [~~106.305(e)(2)~~];

22 (4) ensuring that a loan reimbursement or stipend
23 recipient provides access to health services to participants in
24 government-funded health benefits programs in qualifying
25 communities;

26 (5) encouraging the use of telecommunications or
27 telemedicine, as appropriate;

1 (6) prioritizing the provision of loan reimbursements
2 and stipends to health professionals who are not eligible for any
3 other state loan forgiveness, loan repayment, or stipend program;

4 (7) prioritizing the provision of loan reimbursements
5 and stipends to health professionals who are graduates of health
6 professional degree programs in this state;

7 (8) encouraging a medically underserved community
8 served by a loan reimbursement or stipend recipient to contribute
9 to the cost of the loan reimbursement or stipend when making a
10 contribution is feasible; and

11 (9) requiring a medically underserved community
12 served by a loan reimbursement or stipend recipient to assist the
13 office [~~center~~] in contracting with the loan reimbursement or
14 stipend recipient who will serve that community.

15 (b) The executive committee by rule may designate areas of
16 the state as medically underserved communities.

17 (c) The executive committee shall make reasonable efforts
18 to contract with health professionals from a variety of different
19 health professions.

20 Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND
21 TELEMEDICINE. A health professional who participates in a program
22 under this subchapter may not use telecommunication technology,
23 including telemedicine, as the sole or primary method of providing
24 services and may not use telecommunication technology as a
25 substitute for providing health care services in person. A health
26 professional who participates in a program under this subchapter
27 may use telecommunication technology only to supplement or enhance

1 the health care services provided by the health professional.

2 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
3 permanent endowment fund for the rural communities health care
4 investment program is a special fund in the treasury outside the
5 general revenue fund.

6 (b) The fund is composed of:

7 (1) money transferred to the fund at the direction of
8 the legislature;

9 (2) gifts and grants contributed to the fund;

10 (3) the returns received from investment of money in
11 the fund; and

12 (4) amounts recovered under Section 487.555(e)
13 [~~106.305(e)~~].

14 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND.

15 (a) The office [~~center~~] may administer the permanent endowment
16 fund for the rural communities health care investment program. If
17 the office [~~center~~] elects not to administer the fund, the
18 comptroller shall administer the fund.

19 (b) The administrator of the fund shall invest the fund in a
20 manner intended to preserve the purchasing power of the fund's
21 assets and the fund's annual distributions. The administrator may
22 acquire, exchange, sell, supervise, manage, or retain, through
23 procedures and subject to restrictions the administrator considers
24 appropriate, any kind of investment of the fund's assets that
25 prudent investors, exercising reasonable care, skill, and caution,
26 would acquire or retain in light of the purposes, terms,
27 distribution requirements, and other circumstances of the fund then

1 prevailing, taking into consideration the investment of all the
2 assets of the fund rather than a single investment.

3 (c) The comptroller or the office [~~center~~] may solicit and
4 accept gifts and grants to the fund.

5 (d) Annual distributions for the fund shall be determined by
6 the investment and distribution policy adopted by the administrator
7 of the fund for the fund's assets.

8 (e) Except as provided by Subsection (f), money in the fund
9 may not be used for any purpose.

10 (f) The amount available for distribution from the fund,
11 including any gift or grant, may be appropriated only for providing
12 stipends and loan reimbursement under the programs authorized by
13 this subchapter and to pay the expenses of managing the fund. The
14 expenditure of a gift or grant is subject to any limitation or
15 requirement placed on the gift or grant by the donor or granting
16 entity.

17 (g) Sections 403.095 and 404.071, Government Code, do not
18 apply to the fund. Section 404.094(d), Government Code, applies to
19 the fund.

20 Sec. 487.560 [~~106.310~~]. REPORTING REQUIREMENT. The office
21 [~~center~~] shall provide a report on the permanent endowment fund for
22 the rural communities health care investment program to the
23 Legislative Budget Board not later than November 1 of each year. The
24 report must include the total amount of money the office [~~center~~]
25 received from the fund, the purpose for which the money was used,
26 and any additional information that may be requested by the
27 Legislative Budget Board.

SECTION 7. Section 38.011(j), Education Code, as added by Section 1, Chapter 1418, Acts of the 76th Legislature, Regular Session, 1999, as amended by Section 4, Chapter 1424, Acts of the 77th Legislature, Regular Session, 2001, and as amended and redesignated as Section 38.060(a), Education Code, by Section 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is reenacted to read as follows:

(a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or

(2) has been designated under state or federal law as:

(A) a health professional shortage area;

(B) a medically underserved area; or

(C) a medically underserved community by the Office of Rural Community Affairs.

SECTION 8. Section 61.0899, Education Code, is amended to read as follows:

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in cooperation with the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] and the office's [~~center's~~] advisory panel established under Section 487.552 [~~106.302~~], Government [~~Health and Safety~~] Code, ensure that the board seeks to obtain the maximum amount of funds from any source, including federal funds, to support programs to provide student loan reimbursement or stipends for graduates of degree programs in this state who

1 practice or agree to practice in a medically underserved community.

2 SECTION 9. Section 110.001, Health and Safety Code, as
3 added by Chapter 1221, Acts of the 77th Legislature, Regular
4 Session, 2001, is amended to read as follows:

5 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall
7 establish the Rural Foundation as a nonprofit corporation that
8 complies with the Texas Non-Profit Corporation Act (Article
9 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
10 otherwise provided by this chapter, and qualifies as an
11 organization exempt from federal income tax under Section
12 501(c)(3), Internal Revenue Code of 1986, as amended.

13 (b) The Office of Rural Community Affairs [~~Center for Rural~~
14 ~~Health Initiatives~~] shall ensure that the Rural Foundation operates
15 independently of any state agency or political subdivision of the
16 state.

17 SECTION 10. Section 110.002(c), Health and Safety Code, as
18 added by Chapter 1221, Acts of the 77th Legislature, Regular
19 Session, 2001, is amended to read as follows:

20 (c) The Rural Foundation shall develop and implement
21 policies and procedures that clearly separate the responsibilities
22 and activities of the foundation from the Office of Rural Community
23 Affairs [~~Center for Rural Health Initiatives~~].

24 SECTION 11. Section 110.003(a), Health and Safety Code, as
25 added by Chapter 1221, Acts of the 77th Legislature, Regular
26 Session, 2001, is amended to read as follows:

27 (a) The Rural Foundation is governed by a board of five

1 directors appointed by the executive committee of the Office of
2 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
3 individuals recommended by the executive director of the Office of
4 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

5 SECTION 12. Section 110.004(b), Health and Safety Code, as
6 added by Chapter 1221, Acts of the 77th Legislature, Regular
7 Session, 2001, is amended to read as follows:

8 (b) A person may not be a member of the board of directors of
9 the Rural Foundation and may not be a foundation employee employed
10 in a "bona fide executive, administrative, or professional
11 capacity," as that phrase is used for purposes of establishing an
12 exemption to the overtime provisions of the federal Fair Labor
13 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended,
14 if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association that is in the field of
17 health care or that contracts with the foundation; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association that is in the field of
20 health care or that contracts with the foundation.

21 SECTION 13. Section 110.005(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) If the executive director of the Office of Rural
25 Community Affairs [~~Center for Rural Health Initiatives~~] has
26 knowledge that a potential ground for removal exists, the executive
27 director shall notify the presiding officer of the board of

1 directors of the Rural Foundation of the potential ground. The
2 presiding officer shall then notify the governor and the attorney
3 general that a potential ground for removal exists. If the
4 potential ground for removal involves the presiding officer, the
5 executive director shall notify the next highest ranking officer of
6 the board of directors, who shall then notify the governor and the
7 attorney general that a potential ground for removal exists.

8 SECTION 14. Section 110.010, Health and Safety Code, as
9 added by Chapter 1221, Acts of the 77th Legislature, Regular
10 Session, 2001, is amended to read as follows:

11 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
12 Foundation and the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] shall enter into a memorandum of
14 understanding that:

15 (1) requires the board of directors and staff of the
16 foundation to report to the executive director and executive
17 committee of the Office of Rural Community Affairs [~~Center for~~
18 ~~Rural Health Initiatives~~];

19 (2) allows the Office of Rural Community Affairs
20 [~~Center for Rural Health Initiatives~~] to provide staff functions to
21 the foundation;

22 (3) allows the Office of Rural Community Affairs
23 [~~Center for Rural Health Initiatives~~] to expend funds on the
24 foundation; and

25 (4) outlines the financial contributions to be made to
26 the foundation from funds obtained from grants and other sources.

27 SECTION 15. Section 110.011(a), Health and Safety Code, as

1 added by Chapter 1221, Acts of the 77th Legislature, Regular
2 Session, 2001, is amended to read as follows:

3 (a) The Rural Foundation shall maintain financial records
4 and reports independently from those of the Office of Rural
5 Community Affairs [~~Center for Rural Health Initiatives~~].

6 SECTION 16. Section 110.012, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
10 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
11 60th day after the last day of the fiscal year, the Rural Foundation
12 shall submit to the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] a report itemizing all income and
14 expenditures and describing all activities of the foundation during
15 the preceding fiscal year.

16 SECTION 17. Section 155.1025(a), Occupations Code, is
17 amended to read as follows:

18 (a) The board shall adopt rules for expediting any
19 application for a license under this subtitle made by a person who
20 is licensed to practice medicine in another state or country and who
21 submits an affidavit with the application stating that:

22 (1) the applicant intends to practice in a rural
23 community, as determined by the Office of Rural Community Affairs
24 [~~Center for Rural Health Initiatives~~]; or

25 (2) the applicant intends to:

26 (A) accept employment with an entity located in a
27 medically underserved area or health professional shortage area,

1 designated by the United States Department of Health and Human
2 Services, and affiliated with or participating in a public
3 university-sponsored graduate medical education program;

4 (B) serve on the faculty of the public
5 university-sponsored graduate medical education program; and

6 (C) engage in the practice of medicine and
7 teaching in a specialty field of medicine that is necessary to
8 obtain or maintain the accreditation of the public
9 university-sponsored graduate medical education program by the
10 Accreditation Council for Graduate Medical Education.

11 SECTION 18. Section 531.02172, Government Code, as amended
12 by Chapters 661 and 959, Acts of the 77th Legislature, Regular
13 Session, 2001, is reenacted and amended to read as follows:

14 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
15 commissioner shall establish an advisory committee to assist the
16 commission in:

17 (1) evaluating policies for telemedical consultations
18 under Section 531.0217;

19 (2) evaluating policies for telemedicine medical
20 services or telehealth services pilot programs established under
21 Section 531.02171;

22 (3) ensuring the efficient and consistent development
23 and use of telecommunication technology for telemedical
24 consultations and telemedicine medical services or telehealth
25 services reimbursed under government-funded health programs;

26 (4) monitoring the type of programs receiving
27 reimbursement under Sections 531.0217 and 531.02171; and

1 (5) coordinating the activities of state agencies
2 concerned with the use of telemedical consultations and
3 telemedicine medical services or telehealth services.

4 (b) The advisory committee must include:

5 (1) representatives of health and human services
6 agencies and other state agencies concerned with the use of
7 telemedical consultations in the Medicaid program and the state
8 child health plan program, including representatives of:

9 (A) the commission;

10 (B) the Texas Department of Health;

11 (C) the Office of Rural Community Affairs [~~Center~~
12 ~~for Rural Health Initiatives~~];

13 (D) the Telecommunications Infrastructure Fund
14 Board;

15 (E) the Texas Department of Insurance;

16 (F) the Texas State Board of Medical Examiners;

17 (G) the Board of Nurse Examiners; and

18 (H) the Texas State Board of Pharmacy;

19 (2) representatives of health science centers in this
20 state;

21 (3) experts on telemedicine, telemedical
22 consultation, and telemedicine medical services or telehealth
23 services; and

24 (4) representatives of consumers of health services
25 provided through telemedical consultations and telemedicine
26 medical services or telehealth services.

27 (c) A member of the advisory committee serves at the will of

1 the commissioner.

2 SECTION 19. The following provisions are repealed:

3 (1) Section 106.025(a), Health and Safety Code, as
4 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
5 Regular Session, 2001;

6 (2) Section 106.029, Health and Safety Code, as added
7 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
8 Session, 2001; and

9 (3) Section 106.043(b), Health and Safety Code, as
10 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
11 Regular Session, 2001.

12 SECTION 20. This Act takes effect September 1, 2003.

COMMITTEE REPORT

The Honorable Tom Craddick
Speaker of the House of Representatives

4-8-2003
(date)

Sir:

We, your COMMITTEE ON PUBLIC HEALTH

to whom was referred HB 1877 have had the same under consideration and beg to report back with the recommendation that it

- () do pass, without amendment.
() do pass, with amendment(s).
(~~4~~) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
(~~4~~) yes () no A fiscal note was requested.
() yes (~~4~~) no A criminal justice policy impact statement was requested.
() yes (~~4~~) no An equalized educational funding impact statement was requested.
() yes (~~4~~) no An actuarial analysis was requested.
() yes (~~4~~) no A water development policy impact statement was requested.
() yes (~~4~~) no A tax equity note was requested.
() The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor _____

Joint Sponsors: _____ / _____ / _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Capelo, Chair	<input checked="" type="checkbox"/>			
Laubenberg, Vice-chair	<input checked="" type="checkbox"/>			
Coleman	<input checked="" type="checkbox"/>			
Dawson	<input checked="" type="checkbox"/>			
McReynolds	<input checked="" type="checkbox"/>			
Naishtat	<input checked="" type="checkbox"/>			
Taylor	<input checked="" type="checkbox"/>			
Truitt	<input checked="" type="checkbox"/>			
Zedler	<input checked="" type="checkbox"/>			

Total

9 aye
0 nay
0 present, not voting
0 absent

CHAIR

BILL ANALYSIS

C.S.H.B. 1877
By: Hardcastle
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, studies show that physicians in rural areas are unable to leave their practices because of the lack of other physicians to provide coverage. Additionally, studies indicate that rural physicians work longer hours, see more patients, treat a higher percentage of indigent care patients, and receive less compensation than their urban colleagues. As proposed, C.S.H.B. 1877 requires the Office of Rural and Community Affairs to instigate a state-supported rural physician relief program to help rural areas retain physicians.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The Bill requires the Office of Rural and Community Affairs (ORCA) to create a program to provide affordable relief services to rural physicians practicing in the fields of general family medicine, general internal medicine, and general pediatrics to facilitate the ability of those physicians to take time away from their practice. The Rural Physician Relief Advisory committee shall be composed of members as provided in the bill.

ORCA is required to charge a fee for rural physicians to participate in the program. The fees collected under this section shall be deposited in a special account in the general revenue fund that may be appropriated only to ORCA for administration of this subchapter.

Authorizes ORCA to solicit and accept gifts, grants, donations, and contributions to support the program. Requires ORCA to pay a physician providing relief under the program using fees collected by the center.

ORCA shall assign physicians to provide relief to a rural area in accordance with certain priorities. ORCA shall, in determining where to assign relief physicians, consider the number of physicians in the area available to provide relief services and the distance in that area to the nearest physician who practices in the same speciality. At the request of ORCA, residency program directors may assist ORCA in coordinating the assignment of relief physicians.

ORCA shall actively recruit physicians to participate in the program as relief physicians. ORCA shall concentrate on recruiting physicians involved in an accredited residency program in general pediatrics, general internal medicine, and general family medicine, physicians registered on ORCA's locum tenens registry, physicians employed at a medical school, and physicians working for private locum tenens groups.

ORCA is to seek state and federal money available for economic development in rural areas for programs under this chapter. The activities of the Rural Foundation are added to the reporting requirements of ORCA.

The Bill amends text found in the Health and Safety Code which is to be placed in the Government Code by replacing the word "center" with "office." The Bill amends text found in the Health and Safety Code, the Education Code, and the Government Code by replacing "Center for Rural Health Initiatives" with the "Office of Rural Community Affairs."

The following sections are repealed: (1) Section 106.025(a), Health and Safety Code (Duties and

Powers); (2) Section 106.029, Health and Safety Code (Designating Rural Hospitals); and (3) Section 106.043(b), Health and Safety Code (Advisory Committee).

EFFECTIVE DATE

September 1, 2003

COMPARISON OF ORIGINAL TO SUBSTITUTE.

The Substitute on adds an advisory committee and provides qualifications to serve on the committee. The Substitute has language that adds “in collaboration/consultation with Area Healthcare Education Centers.” AHECs already administer the mentor program. The added language simply clarifies this. The Substitute adds provisions to the governing board of the Rural Foundation in that a person that is formally affiliated with an association that contracts with the foundation may not be a board member or employee of the foundation.

SUMMARY OF COMMITTEE ACTION

HB 1877

April 2, 2003 8:00AM

Considered in public hearing
Committee substitute considered in committee
Testimony taken in committee (See attached witness list.)
Left pending in committee

April 8, 2003 upon final adjourn./recess

Considered in formal meeting
Committee substitute considered in committee
Reported favorably as substituted

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WITNESS LIST

HB 1877
HOUSE COMMITTEE REPORT
Public Health Committee

April 2, 2003 - 8:00AM

For: Turner, Bob (Texas Rural Health Assoc)
On: Tessen, Robert J. "Sam" (Office of Rural Community
Affairs)

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 9, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1877, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from New General Revenue Dedicated - Rural Physician Relief	Probable (Cost) from New General Revenue Dedicated - Rural Physician Relief
2004	\$2,407,970	(\$2,407,970)
2005	\$2,407,970	(\$2,407,970)
2006	\$2,407,970	(\$2,407,970)
2007	\$2,407,970	(\$2,407,970)
2008	\$2,407,970	(\$2,407,970)

Fiscal Analysis

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas from fees charged to physicians participating in the program. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created General Revenue Dedicated - Rural Physician Relief account. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

Methodology

The Office of Rural Community Affairs (ORCA) estimates that there would be 798 physicians participating in the program and each would require 24 hours of relief services at \$85 per hour. ORCA

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also estimates that each of the 798 physicians would be charged \$125 per day of over-time for three days and \$200 per day for three days for other costs.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in the bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2003.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, JO, DLBa, RT, DE

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LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), As Introduced

No significant fiscal implication to the State is anticipated.

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas using collected fees. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created GR Account-Rural Physician Relief. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

It is assumed ORCA could perform the duties and responsibilities associated with implementing the provisions of the bill by utilizing existing resources.

The bill would take effect September 1, 2003.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, RT, DE, KG

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ADOPTED

APR 29 2003

Robert Hance
Chief Clerk
House of Representatives

as amended

By: [Signature]

H.B. No. 1877

Substitute the following for H.B. No. 1877:

By: McReynolds

C.S. H.B. No. 1877

A BILL TO BE ENTITLED

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to

1. rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office
14 shall pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.

17 (a) The office shall assign physicians to provide relief to a rural
18 area in accordance with the following priorities:

19 (1) solo practitioners;

20 (2) counties that have fewer than seven residents per
21 square mile;

22 (3) counties that have been designated under federal
23 law as a health professional shortage area;

24 (4) counties that do not have a hospital; and

25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
16 relief advisory committee is composed of the following members
17 appointed by the executive committee:

18 (1) a physician who practices in the area of general
19 family medicine in a rural county;

20 (2) a physician who practices in the area of general
21 internal medicine in a rural county;

22 (3) a physician who practices in the area of general
23 pediatrics in a rural county;

24 (4) a representative from an accredited Texas medical
25 school;

26 (5) a program director from an accredited primary care
27 residency program;

1 (6) a representative from the Texas Higher Education
2 Coordinating Board; and

3 (7) a representative from the Texas State Board of
4 Medical Examiners.

5 (b) The advisory committee shall assist the office in
6 administering the program.

7 SECTION 2. Section 487.051, Government Code, is amended to
8 read as follows:

9 Sec. 487.051. POWERS AND DUTIES. The office shall:

10 (1) develop a rural policy for the state in
11 consultation with local leaders representing all facets of rural
12 community life, academic and industry experts, and state elected
13 and appointed officials with interests in rural communities;

14 (2) work with other state agencies and officials to
15 improve the results and the cost-effectiveness of state programs
16 affecting rural communities through coordination of efforts;

17 (3) develop programs to improve the leadership
18 capacity of rural community leaders;

19 (4) monitor developments that have a substantial
20 effect on rural Texas communities, especially actions of state
21 government, and compile an annual report describing and evaluating
22 the condition of rural communities;

23 (5) administer the federal community development
24 block grant nonentitlement program;

25 (6) administer programs supporting rural health care
26 as provided by this chapter [~~Subchapters D-H~~];

27 (7) perform research to determine the most beneficial

1 and cost-effective ways to improve the welfare of rural
2 communities;

3 (8) ensure that the office qualifies as the state's
4 office of rural health for the purpose of receiving grants from the
5 Office of Rural Health Policy of the United States Department of
6 Health and Human Services under 42 U.S.C. Section 254r; ~~and~~

7 (9) manage the state's Medicare rural hospital
8 flexibility program under 42 U.S.C. Section 1395i-4; and

9 (10) seek state and federal money available for
10 economic development in rural areas for programs under this
11 chapter.

12 SECTION 3. Section 106.026(b), Health and Safety Code, as
13 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
14 Regular Session, 2001, is redesignated as Section 487.056(b),
15 Government Code, and Section 487.056, Government Code, is amended
16 to read as follows:

17 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
18 January 1 of each odd-numbered year, the office shall submit a
19 biennial report to the legislature regarding the activities of the
20 office, the activities of the Rural Foundation, and any findings
21 and recommendations relating to rural issues.

22 (b) The office ~~center~~ shall obtain information from each
23 county about indigent health care provided in the county and
24 information from each university, medical school, rural community,
25 or rural health care provider that has performed a study relating to
26 rural health care during the biennium. The office ~~center~~ shall
27 include the information obtained under this subsection in the

1 office's [~~center's~~] report to the legislature.

2 SECTION 4. Subchapter H, Chapter 106, Health and Safety
3 Code, as added by Section 1, Chapter 831, Acts of the 77th
4 Legislature, Regular Session, 2001, is redesignated as Subchapter
5 K, Chapter 487, Government Code, and amended to read as follows:

6 SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
7 PROGRAM FOR STUDENTS

8 Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

9 (1) "Health care professional" means:

- 10 (A) an advanced nurse practitioner;
- 11 (B) a dentist;
- 12 (C) a dental hygienist;
- 13 (D) a laboratory technician;
- 14 (E) a licensed vocational nurse;
- 15 (F) a licensed professional counselor;
- 16 (G) a medical radiological technologist;
- 17 (H) an occupational therapist;
- 18 (I) a pharmacist;
- 19 (J) a physical therapist;
- 20 (K) a physician;
- 21 (L) a physician assistant;
- 22 (M) a psychologist;
- 23 (N) a registered nurse;
- 24 (O) a social worker;
- 25 (P) a speech-language pathologist;
- 26 (Q) a veterinarian;
- 27 (R) a chiropractor; and

1 (S) another appropriate health care professional
2 identified by the executive committee.

3 (2) "Program" means the community healthcare
4 awareness and mentoring program for students established under this
5 subchapter.

6 (3) "Underserved urban area" means an urban area of
7 this state with a medically underserved population, as determined
8 in accordance with criteria adopted by the board by rule,
9 considering relevant demographic, geographic, and environmental
10 factors.

11 Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND
12 MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in
13 collaboration with area health care education centers ^{Programs} shall
14 establish a community healthcare awareness and mentoring program
15 for students to:

16 (1) identify high school students in rural and
17 underserved urban areas who are interested in serving those areas
18 as health care professionals;

19 (2) identify health care professionals in rural and
20 underserved urban areas to act as positive role models, mentors, or
21 reference resources for the interested high school students;

22 (3) introduce interested high school students to the
23 spectrum of professional health care careers through activities
24 such as health care camps and shadowing of health care
25 professionals;

26 (4) encourage a continued interest in service as
27 health care professionals in rural and underserved urban areas by

1 providing mentors and community resources for students
2 participating in training or educational programs to become health
3 care professionals; and

4 (5) provide continuing community-based support for
5 students during the period the students are attending training or
6 educational programs to become health care professionals,
7 including summer job opportunities and opportunities to mentor high
8 school students in the community.

9 (b) In connection with the program, the office [~~center~~]
10 shall establish and maintain an updated medical resource library
11 that contains information relating to medical careers. The office
12 [~~center~~] shall make the library available to school counselors,
13 students, and parents of students.

14 Sec. 487.453 [~~106.253~~]. ADMINISTRATION. (a) The office
15 [~~center~~] shall administer or contract for the administration of the
16 program.

17 (b) The office [~~center~~] may solicit and accept gifts,
18 grants, donations, and contributions to support the program.

19 (c) The office [~~center~~] may administer the program in
20 cooperation with other public and private entities.

21 (d) The office, in consultation with area health care
22 education centers, ^{Programs} [~~center~~] shall coordinate the program with
23 similar programs, including programs relating to workforce
24 development, scholarships for education, and employment of
25 students, that are administered by other agencies, such as the
26 Texas Workforce Commission and local workforce development boards.

27 Sec. 487.454 [~~106.254~~]. GRANTS; ELIGIBILITY. (a) Subject

1 to available funds, the executive committee shall develop and
2 implement, as a component of the program, a grant program to support
3 employment opportunities in rural and underserved urban areas in
4 this state for students participating in training or educational
5 programs to become health care professionals.

6 (b) In awarding grants under the program, the executive
7 committee shall give first priority to grants to training or
8 educational programs that provide internships to students.

9 (c) To be eligible to receive a grant under the grant
10 program, a person must:

11 (1) apply for the grant on a form adopted by the
12 executive committee;

13 (2) be enrolled or intend to be enrolled in a training
14 or educational program to become a health care professional;

15 (3) commit to practice or work, after licensure as a
16 health care professional, for at least one year as a health care
17 professional in a rural or underserved urban area in this state; and

18 (4) comply fully with any practice or requirements
19 associated with any scholarship, loan, or other similar benefit
20 received by the student.

21 (d) As a condition of receiving a grant under the program
22 the student must agree to repay the amount of the grant, plus a
23 penalty in an amount established by rule of the executive committee
24 not to exceed two times the amount of the grant, if the student
25 becomes licensed as a health care professional and fails to
26 practice or work for at least one year as a health care professional
27 in a rural or underserved urban area in this state.

1 SECTION 5. Subchapter H, Chapter 106, Health and Safety
2 Code, as added by Section 1, Chapter 1112, Acts of the 77th
3 Legislature, Regular Session, 2001, is redesignated as Subchapter
4 L, Chapter 487, Government Code, and amended to read as follows:

5 SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

6 Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

7 (1) "Rural community" means a rural area as defined by
8 the office [~~center~~].

9 (2) "Medical school" has the meaning assigned by
10 Section 61.501, Education Code.

11 Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office
12 [~~center~~] may accept gifts, grants, and donations to support the
13 rural physician recruitment program.

14 Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT
15 PROGRAM. (a) The office [~~center~~] shall establish a process in
16 consultation with the Texas Higher Education Coordinating Board for
17 selecting [~~a~~] Texas medical schools [~~school~~] to recruit students
18 from rural communities and encourage them to return to rural
19 communities to practice medicine.

20 (b) The Texas medical schools [~~school~~] selected [~~by the~~
21 ~~center~~] shall:

22 (1) encourage high school and college students from
23 rural communities to pursue a career in medicine;

24 (2) develop a screening process to identify rural
25 students most likely to pursue a career in medicine;

26 (3) establish a rural medicine curriculum;

27 (4) establish a mentoring program for rural students;

1 (5) provide rural students with information about
2 financial aid resources available for postsecondary education; and

3 (6) establish a rural practice incentive program.

4 SECTION 6. Subchapter H, Chapter 106, Health and Safety
5 Code, as added by Section 2, Chapter 435, Acts of the 77th
6 Legislature, Regular Session, 2001, is redesignated as Subchapter
7 M, Chapter 487, Government Code, and amended to read as follows:

8 SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT
9 PROGRAM

10 Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

11 (1) "Health professional" means a person other than a
12 physician who holds a license, certificate, registration, permit,
13 or other form of authorization required by law or a state agency
14 rule that must be obtained by an individual to practice in a health
15 care profession.

16 (2) "Medically underserved community" means a
17 community that:

18 (A) is located in a county with a population of
19 50,000 or less;

20 (B) has been designated under state or federal
21 law as:

22 (i) a health professional shortage area; or

23 (ii) a medically underserved area; or

24 (C) has been designated as a medically
25 underserved community by the office [~~center~~].

26 Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office
27 [~~center~~] shall appoint an advisory panel to assist in the office's

1 ~~[center's]~~ duties under this subchapter. The advisory panel must
2 consist of at least:

3 (1) one representative from the Texas Higher Education
4 Coordinating Board;

5 (2) one representative from the institutions of higher
6 education having degree programs for the health professions
7 participating in the programs under this subchapter;

8 (3) one representative from a hospital in a medically
9 underserved community;

10 (4) one physician practicing in a medically
11 underserved community;

12 (5) one health professional, other than a physician,
13 practicing in a medically underserved community; and

14 (6) one public representative who resides in a
15 medically underserved community.

16 Sec. 487.553 ~~[106.303]~~. LOAN REIMBURSEMENT PROGRAM. The
17 executive committee shall establish a program in the office
18 ~~[center]~~ to assist communities in recruiting health professionals
19 to practice in medically underserved communities by providing loan
20 reimbursement for health professionals who serve in those
21 communities.

22 Sec. 487.554 ~~[106.304]~~. STIPEND PROGRAM. (a) The
23 executive committee shall establish a program in the office
24 ~~[center]~~ to assist communities in recruiting health professionals
25 to practice in medically underserved communities by providing a
26 stipend to health professionals who agree to serve in those
27 communities.

1 (b) A stipend awarded under this section shall be paid in
2 periodic installments.

3 (c) A health professional who participates in the program
4 established under this section must establish an office and
5 residency in the medically underserved area before receiving any
6 portion of the stipend.

7 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
8 professional may receive assistance under this subchapter only if
9 the health professional signs a contract agreeing to provide health
10 care services in a medically underserved community.

11 (b) A student in a degree program preparing to become a
12 health professional may contract with the office [~~center~~] for the
13 loan reimbursement program under Section 487.553 [~~106.303~~] before
14 obtaining the license required to become a health professional.

15 (c) The office [~~center~~] may contract with a health
16 professional for part-time services under the stipend program
17 established under Section 487.554 [~~106.304~~].

18 (d) A health professional who participates in any loan
19 reimbursement program is not eligible for a stipend under Section
20 487.554 [~~106.304~~].

21 (e) A contract under this section must provide that a health
22 professional who does not provide the required services to the
23 community or provides those services for less than the required
24 time is personally liable to the state for:

25 (1) the total amount of assistance the health
26 professional received from the office [~~center~~] and the medically
27 underserved community;

1 (2) interest on the amount under Subdivision (1) at a
2 rate set by the executive committee;

3 (3) the state's reasonable expenses incurred in
4 obtaining payment, including reasonable attorney's fees; and

5 (4) a penalty as established by the executive
6 committee by rule to help ensure compliance with the contract.

7 (f) Amounts recovered under Subsection (e) shall be
8 deposited in the permanent endowment fund for the rural communities
9 health care investment program under Section 487.558 [~~106.308~~].

10 Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE
11 [~~CENTER~~]. (a) The executive committee shall adopt rules necessary
12 for the administration of this subchapter, including guidelines
13 for:

14 (1) developing contracts under which loan
15 reimbursement or stipend recipients provide services to qualifying
16 communities;

17 (2) identifying the duties of the state, state agency,
18 loan reimbursement or stipend recipient, and medically underserved
19 community under the loan reimbursement or stipend contract;

20 (3) determining a rate of interest to be charged under
21 Section 487.555(e)(2) [~~106.305(e)(2)~~];

22 (4) ensuring that a loan reimbursement or stipend
23 recipient provides access to health services to participants in
24 government-funded health benefits programs in qualifying
25 communities;

26 (5) encouraging the use of telecommunications or
27 telemedicine, as appropriate;

1 (6) prioritizing the provision of loan reimbursements
2 and stipends to health professionals who are not eligible for any
3 other state loan forgiveness, loan repayment, or stipend program;

4 (7) prioritizing the provision of loan reimbursements
5 and stipends to health professionals who are graduates of health
6 professional degree programs in this state;

7 (8) encouraging a medically underserved community
8 served by a loan reimbursement or stipend recipient to contribute
9 to the cost of the loan reimbursement or stipend when making a
10 contribution is feasible; and

11 (9) requiring a medically underserved community
12 served by a loan reimbursement or stipend recipient to assist the
13 office [~~center~~] in contracting with the loan reimbursement or
14 stipend recipient who will serve that community.

15 (b) The executive committee by rule may designate areas of
16 the state as medically underserved communities.

17 (c) The executive committee shall make reasonable efforts
18 to contract with health professionals from a variety of different
19 health professions.

20 Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND
21 TELEMEDICINE. A health professional who participates in a program
22 under this subchapter may not use telecommunication technology,
23 including telemedicine, as the sole or primary method of providing
24 services and may not use telecommunication technology as a
25 substitute for providing health care services in person. A health
26 professional who participates in a program under this subchapter
27 may use telecommunication technology only to supplement or enhance

1 the health care services provided by the health professional.

2 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
3 permanent endowment fund for the rural communities health care
4 investment program is a special fund in the treasury outside the
5 general revenue fund.

6 (b) The fund is composed of:

7 (1) money transferred to the fund at the direction of
8 the legislature;

9 (2) gifts and grants contributed to the fund;

10 (3) the returns received from investment of money in
11 the fund; and

12 (4) amounts recovered under Section 487.555(e)
13 [~~106.305(e)~~].

14 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND.

15 (a) The office [~~center~~] may administer the permanent endowment
16 fund for the rural communities health care investment program. If
17 the office [~~center~~] elects not to administer the fund, the
18 comptroller shall administer the fund.

19 (b) The administrator of the fund shall invest the fund in a
20 manner intended to preserve the purchasing power of the fund's
21 assets and the fund's annual distributions. The administrator may
22 acquire, exchange, sell, supervise, manage, or retain, through
23 procedures and subject to restrictions the administrator considers
24 appropriate, any kind of investment of the fund's assets that
25 prudent investors, exercising reasonable care, skill, and caution,
26 would acquire or retain in light of the purposes, terms,
27 distribution requirements, and other circumstances of the fund then

1 prevailing, taking into consideration the investment of all the
2 assets of the fund rather than a single investment.

3 (c) The comptroller or the office [~~center~~] may solicit and
4 accept gifts and grants to the fund.

5 (d) Annual distributions for the fund shall be determined by
6 the investment and distribution policy adopted by the administrator
7 of the fund for the fund's assets.

8 (e) Except as provided by Subsection (f), money in the fund
9 may not be used for any purpose.

10 (f) The amount available for distribution from the fund,
11 including any gift or grant, may be appropriated only for providing
12 stipends and loan reimbursement under the programs authorized by
13 this subchapter and to pay the expenses of managing the fund. The
14 expenditure of a gift or grant is subject to any limitation or
15 requirement placed on the gift or grant by the donor or granting
16 entity.

17 (g) Sections 403.095 and 404.071, Government Code, do not
18 apply to the fund. Section 404.094(d), Government Code, applies to
19 the fund.

20 Sec. 487.560 [~~106.310~~]. REPORTING REQUIREMENT. The office
21 [~~center~~] shall provide a report on the permanent endowment fund for
22 the rural communities health care investment program to the
23 Legislative Budget Board not later than November 1 of each year. The
24 report must include the total amount of money the office [~~center~~]
25 received from the fund, the purpose for which the money was used,
26 and any additional information that may be requested by the
27 Legislative Budget Board.

1 SECTION 7. Section 38.011(j), Education Code, as added by
2 Section 1, Chapter 1418, Acts of the 76th Legislature, Regular
3 Session, 1999, as amended by Section 4, Chapter 1424, Acts of the
4 77th Legislature, Regular Session, 2001, and as amended and
5 redesignated as Section 38.060(a), Education Code, by Section
6 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session,
7 2001, is reenacted to read as follows:

8 (a) This section applies only to a school-based health
9 center serving an area that:

10 (1) is located in a county with a population not
11 greater than 50,000; or

12 (2) has been designated under state or federal law as:

13 (A) a health professional shortage area;

14 (B) a medically underserved area; or

15 (C) a medically underserved community by the
16 Office of Rural Community Affairs.

17 SECTION 8. Section 61.0899, Education Code, is amended to
18 read as follows:

19 Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN
20 REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in
21 cooperation with the Office of Rural Community Affairs [~~Center for~~
22 ~~Rural Health Initiatives~~] and the office's [~~center's~~] advisory
23 panel established under Section 487.552 [~~106.302~~], Government
24 [~~Health and Safety~~] Code, ensure that the board seeks to obtain the
25 maximum amount of funds from any source, including federal funds,
26 to support programs to provide student loan reimbursement or
27 stipends for graduates of degree programs in this state who

1 practice or agree to practice in a medically underserved community.

2 SECTION 9. Section 110.001, Health and Safety Code, as
3 added by Chapter 1221, Acts of the 77th Legislature, Regular
4 Session, 2001, is amended to read as follows:

5 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall
7 establish the Rural Foundation as a nonprofit corporation that
8 complies with the Texas Non-Profit Corporation Act (Article
9 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
10 otherwise provided by this chapter, and qualifies as an
11 organization exempt from federal income tax under Section
12 501(c)(3), Internal Revenue Code of 1986, as amended.

13 (b) The Office of Rural Community Affairs [~~Center for Rural~~
14 ~~Health Initiatives~~] shall ensure that the Rural Foundation operates
15 independently of any state agency or political subdivision of the
16 state.

17 SECTION 10. Section 110.002(c), Health and Safety Code, as
18 added by Chapter 1221, Acts of the 77th Legislature, Regular
19 Session, 2001, is amended to read as follows:

20 (c) The Rural Foundation shall develop and implement
21 policies and procedures that clearly separate the responsibilities
22 and activities of the foundation from the Office of Rural Community
23 Affairs [~~Center for Rural Health Initiatives~~].

24 SECTION 11. Section 110.003(a), Health and Safety Code, as
25 added by Chapter 1221, Acts of the 77th Legislature, Regular
26 Session, 2001, is amended to read as follows:

27 (a) The Rural Foundation is governed by a board of five

1 directors appointed by the executive committee of the Office of
2 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
3 individuals recommended by the executive director of the Office of
4 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

5 SECTION 12. Section 110.004(b), Health and Safety Code, as
6 added by Chapter 1221, Acts of the 77th Legislature, Regular
7 Session, 2001, is amended to read as follows:

8 (b) A person may not be a member of the board of directors of
9 the Rural Foundation and may not be a foundation employee employed
10 in a "bona fide executive, administrative, or professional
11 capacity," as that phrase is used for purposes of establishing an
12 exemption to the overtime provisions of the federal Fair Labor
13 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended,
14 if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association that is in the field of
17 health care or that contracts with the foundation; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association that is in the field of
20 health care or that contracts with the foundation.

21 SECTION 13. Section 110.005(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) If the executive director of the Office of Rural
25 Community Affairs [~~Center for Rural Health Initiatives~~] has
26 knowledge that a potential ground for removal exists, the executive
27 director shall notify the presiding officer of the board of

1 directors of the Rural Foundation of the potential ground. The
2 presiding officer shall then notify the governor and the attorney
3 general that a potential ground for removal exists. If the
4 potential ground for removal involves the presiding officer, the
5 executive director shall notify the next highest ranking officer of
6 the board of directors, who shall then notify the governor and the
7 attorney general that a potential ground for removal exists.

8 SECTION 14. Section 110.010, Health and Safety Code, as
9 added by Chapter 1221, Acts of the 77th Legislature, Regular
10 Session, 2001, is amended to read as follows:

11 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
12 Foundation and the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] shall enter into a memorandum of
14 understanding that:

15 (1) requires the board of directors and staff of the
16 foundation to report to the executive director and executive
17 committee of the Office of Rural Community Affairs [~~Center for~~
18 ~~Rural Health Initiatives~~];

19 (2) allows the Office of Rural Community Affairs
20 [~~Center for Rural Health Initiatives~~] to provide staff functions to
21 the foundation;

22 (3) allows the Office of Rural Community Affairs
23 [~~Center for Rural Health Initiatives~~] to expend funds on the
24 foundation; and

25 (4) outlines the financial contributions to be made to
26 the foundation from funds obtained from grants and other sources.

27 SECTION 15. Section 110.011(a), Health and Safety Code, as

1 added by Chapter 1221, Acts of the 77th Legislature, Regular
2 Session, 2001, is amended to read as follows:

3 (a) The Rural Foundation shall maintain financial records
4 and reports independently from those of the Office of Rural
5 Community Affairs [~~Center for Rural Health Initiatives~~].

6 SECTION 16. Section 110.012, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
10 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
11 60th day after the last day of the fiscal year, the Rural Foundation
12 shall submit to the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] a report itemizing all income and
14 expenditures and describing all activities of the foundation during
15 the preceding fiscal year.

16 SECTION 17. Section 155.1025(a), Occupations Code, is
17 amended to read as follows:

18 (a) The board shall adopt rules for expediting any
19 application for a license under this subtitle made by a person who
20 is licensed to practice medicine in another state or country and who
21 submits an affidavit with the application stating that:

22 (1) the applicant intends to practice in a rural
23 community, as determined by the Office of Rural Community Affairs
24 [~~Center for Rural Health Initiatives~~]; or

25 (2) the applicant intends to:

26 (A) accept employment with an entity located in a
27 medically underserved area or health professional shortage area,

1 designated by the United States Department of Health and Human
2 Services, and affiliated with or participating in a public
3 university-sponsored graduate medical education program;

4 (B) serve on the faculty of the public
5 university-sponsored graduate medical education program; and

6 (C) engage in the practice of medicine and
7 teaching in a specialty field of medicine that is necessary to
8 obtain or maintain the accreditation of the public
9 university-sponsored graduate medical education program by the
10 Accreditation Council for Graduate Medical Education.

11 SECTION 18. Section 531.02172, Government Code, as amended
12 by Chapters 661 and 959, Acts of the 77th Legislature, Regular
13 Session, 2001, is reenacted and amended to read as follows:

14 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
15 commissioner shall establish an advisory committee to assist the
16 commission in:

17 (1) evaluating policies for telemedical consultations
18 under Section 531.0217;

19 (2) evaluating policies for telemedicine medical
20 services or telehealth services pilot programs established under
21 Section 531.02171;

22 (3) ensuring the efficient and consistent development
23 and use of telecommunication technology for telemedical
24 consultations and telemedicine medical services or telehealth
25 services reimbursed under government-funded health programs;

26 (4) monitoring the type of programs receiving
27 reimbursement under Sections 531.0217 and 531.02171; and

1 (5) coordinating the activities of state agencies
2 concerned with the use of telemedical consultations and
3 telemedicine medical services or telehealth services.

4 (b) The advisory committee must include:

5 (1) representatives of health and human services
6 agencies and other state agencies concerned with the use of
7 telemedical consultations in the Medicaid program and the state
8 child health plan program, including representatives of:

9 (A) the commission;

10 (B) the Texas Department of Health;

11 (C) the Office of Rural Community Affairs [~~Center~~
12 ~~for Rural Health Initiatives~~];

13 (D) the Telecommunications Infrastructure Fund
14 Board;

15 (E) the Texas Department of Insurance;

16 (F) the Texas State Board of Medical Examiners;

17 (G) the Board of Nurse Examiners; and

18 (H) the Texas State Board of Pharmacy;

19 (2) representatives of health science centers in this
20 state;

21 (3) experts on telemedicine, telemedical
22 consultation, and telemedicine medical services or telehealth
23 services; and

24 (4) representatives of consumers of health services
25 provided through telemedical consultations and telemedicine
26 medical services or telehealth services.

27 (c) A member of the advisory committee serves at the will of

1 the commissioner.

2 SECTION 19. The following provisions are repealed:

3 (1) Section 106.025(a), Health and Safety Code, as
4 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
5 Regular Session, 2001;

6 (2) Section 106.029, Health and Safety Code, as added
7 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
8 Session, 2001; and

9 (3) Section 106.043(b), Health and Safety Code, as
10 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
11 Regular Session, 2001.

12 SECTION 20. This Act takes effect September 1, 2003.

LIST OF HOUSE AMENDMENTS CONSIDERED TODAY

HB1877-Second Reading

<u>AMENDMENT#</u>	<u>AUTHOR</u>	<u>DESCRIPTION</u>	<u>ACTION</u>
1	Hardcastle	Amendment	Adopted

ADOPTED

APR 29 2003

Robert Honey
Chief Clerk
House of Representatives

BA

met

CH



AMENDMENT NO. 1

BY: Hardeath

1 Amend the proposed committee substitute to H.B. No. 1877 as
2 follows:

3 ✓(1) On page 7, line 13, strike "area health care education
4 centers" and substitute "Area Health Education Center Programs".

5 ✓(2) On page 8, lines 21 and 22, strike "area health care
6 education centers" and substitute "Area Health Education Center
7 Programs".

By: Hardcastle, Christian, Hughes

2ND READING
ENGROSSMENT
H.B. NO. 1877

A BILL TO BE ENTITLED

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to

1 rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office
14 shall pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.
17 (a) The office shall assign physicians to provide relief to a rural
18 area in accordance with the following priorities:

- 19 (1) solo practitioners;
20 (2) counties that have fewer than seven residents per
21 square mile;
22 (3) counties that have been designated under federal
23 law as a health professional shortage area;
24 (4) counties that do not have a hospital; and
25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
16 relief advisory committee is composed of the following members
17 appointed by the executive committee:

18 (1) a physician who practices in the area of general
19 family medicine in a rural county;

20 (2) a physician who practices in the area of general
21 internal medicine in a rural county;

22 (3) a physician who practices in the area of general
23 pediatrics in a rural county;

24 (4) a representative from an accredited Texas medical
25 school;

26 (5) a program director from an accredited primary care
27 residency program;

1 (6) a representative from the Texas Higher Education
2 Coordinating Board; and

3 (7) a representative from the Texas State Board of
4 Medical Examiners.

5 (b) The advisory committee shall assist the office in
6 administering the program.

7 SECTION 2. Section 487.051, Government Code, is amended to
8 read as follows:

9 Sec. 487.051. POWERS AND DUTIES. The office shall:

10 (1) develop a rural policy for the state in
11 consultation with local leaders representing all facets of rural
12 community life, academic and industry experts, and state elected
13 and appointed officials with interests in rural communities;

14 (2) work with other state agencies and officials to
15 improve the results and the cost-effectiveness of state programs
16 affecting rural communities through coordination of efforts;

17 (3) develop programs to improve the leadership
18 capacity of rural community leaders;

19 (4) monitor developments that have a substantial
20 effect on rural Texas communities, especially actions of state
21 government, and compile an annual report describing and evaluating
22 the condition of rural communities;

23 (5) administer the federal community development
24 block grant nonentitlement program;

25 (6) administer programs supporting rural health care
26 as provided by this chapter [~~Subchapters D-H~~];

27 (7) perform research to determine the most beneficial

1 and cost-effective ways to improve the welfare of rural
2 communities;

3 (8) ensure that the office qualifies as the state's
4 office of rural health for the purpose of receiving grants from the
5 Office of Rural Health Policy of the United States Department of
6 Health and Human Services under 42 U.S.C. Section 254r; ~~and~~

7 (9) manage the state's Medicare rural hospital
8 flexibility program under 42 U.S.C. Section 1395i-4; and

9 (10) seek state and federal money available for
10 economic development in rural areas for programs under this
11 chapter.

12 SECTION 3. Section 106.026(b), Health and Safety Code, as
13 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
14 Regular Session, 2001, is redesignated as Section 487.056(b),
15 Government Code, and Section 487.056, Government Code, is amended
16 to read as follows:

17 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
18 January 1 of each odd-numbered year, the office shall submit a
19 biennial report to the legislature regarding the activities of the
20 office, the activities of the Rural Foundation, and any findings
21 and recommendations relating to rural issues.

22 (b) The office ~~center~~ shall obtain information from each
23 county about indigent health care provided in the county and
24 information from each university, medical school, rural community,
25 or rural health care provider that has performed a study relating to
26 rural health care during the biennium. The office ~~center~~ shall
27 include the information obtained under this subsection in the

office's [~~center's~~] report to the legislature.

SECTION 4. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 831, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter K, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
PROGRAM FOR STUDENTS

Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Health care professional" means:

- (A) an advanced nurse practitioner;
- (B) a dentist;
- (C) a dental hygienist;
- (D) a laboratory technician;
- (E) a licensed vocational nurse;
- (F) a licensed professional counselor;
- (G) a medical radiological technologist;
- (H) an occupational therapist;
- (I) a pharmacist;
- (J) a physical therapist;
- (K) a physician;
- (L) a physician assistant;
- (M) a psychologist;
- (N) a registered nurse;
- (O) a social worker;
- (P) a speech-language pathologist;
- (Q) a veterinarian;
- (R) a chiropractor; and

(S) another appropriate health care professional identified by the executive committee.

(2) "Program" means the community healthcare awareness and mentoring program for students established under this subchapter.

(3) "Underserved urban area" means an urban area of this state with a medically underserved population, as determined in accordance with criteria adopted by the board by rule, considering relevant demographic, geographic, and environmental factors.

Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in collaboration with Area Health Education Center Programs, shall establish a community healthcare awareness and mentoring program for students to:

(1) identify high school students in rural and underserved urban areas who are interested in serving those areas as health care professionals;

(2) identify health care professionals in rural and underserved urban areas to act as positive role models, mentors, or reference resources for the interested high school students;

(3) introduce interested high school students to the spectrum of professional health care careers through activities such as health care camps and shadowing of health care professionals;

(4) encourage a continued interest in service as health care professionals in rural and underserved urban areas by

1 providing mentors and community resources for students
2 participating in training or educational programs to become health
3 care professionals; and

4 (5) provide continuing community-based support for
5 students during the period the students are attending training or
6 educational programs to become health care professionals,
7 including summer job opportunities and opportunities to mentor high
8 school students in the community.

9 (b) In connection with the program, the office [~~center~~]
10 shall establish and maintain an updated medical resource library
11 that contains information relating to medical careers. The office
12 [~~center~~] shall make the library available to school counselors,
13 students, and parents of students.

14 Sec. 487.453 [~~106.253~~]. ADMINISTRATION. (a) The office
15 [~~center~~] shall administer or contract for the administration of the
16 program.

17 (b) The office [~~center~~] may solicit and accept gifts,
18 grants, donations, and contributions to support the program.

19 (c) The office [~~center~~] may administer the program in
20 cooperation with other public and private entities.

21 (d) The office, in consultation with Area Health Education
22 Center Programs, [~~center~~] shall coordinate the program with similar
23 programs, including programs relating to workforce development,
24 scholarships for education, and employment of students, that are
25 administered by other agencies, such as the Texas Workforce
26 Commission and local workforce development boards.

27 Sec. 487.454 [~~106.254~~]. GRANTS; ELIGIBILITY. (a) Subject

1 to available funds, the executive committee shall develop and
2 implement, as a component of the program, a grant program to support
3 employment opportunities in rural and underserved urban areas in
4 this state for students participating in training or educational
5 programs to become health care professionals.

6 (b) In awarding grants under the program, the executive
7 committee shall give first priority to grants to training or
8 educational programs that provide internships to students.

9 (c) To be eligible to receive a grant under the grant
10 program, a person must:

11 (1) apply for the grant on a form adopted by the
12 executive committee;

13 (2) be enrolled or intend to be enrolled in a training
14 or educational program to become a health care professional;

15 (3) commit to practice or work, after licensure as a
16 health care professional, for at least one year as a health care
17 professional in a rural or underserved urban area in this state; and

18 (4) comply fully with any practice or requirements
19 associated with any scholarship, loan, or other similar benefit
20 received by the student.

21 (d) As a condition of receiving a grant under the program
22 the student must agree to repay the amount of the grant, plus a
23 penalty in an amount established by rule of the executive committee
24 not to exceed two times the amount of the grant, if the student
25 becomes licensed as a health care professional and fails to
26 practice or work for at least one year as a health care professional
27 in a rural or underserved urban area in this state.

SECTION 5. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 1112, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter L, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Rural community" means a rural area as defined by the office [~~center~~].

(2) "Medical school" has the meaning assigned by Section 61.501, Education Code.

Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office [~~center~~] may accept gifts, grants, and donations to support the rural physician recruitment program.

Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM. (a) The office [~~center~~] shall establish a process in consultation with the Texas Higher Education Coordinating Board for selecting [~~a~~] Texas medical schools [~~school~~] to recruit students from rural communities and encourage them to return to rural communities to practice medicine.

(b) The Texas medical schools [~~school~~] selected [~~by the center~~] shall:

(1) encourage high school and college students from rural communities to pursue a career in medicine;

(2) develop a screening process to identify rural students most likely to pursue a career in medicine;

(3) establish a rural medicine curriculum;

(4) establish a mentoring program for rural students;

(5) provide rural students with information about financial aid resources available for postsecondary education; and

(6) establish a rural practice incentive program.

SECTION 6. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter M, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

(1) "Health professional" means a person other than a physician who holds a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to practice in a health care profession.

(2) "Medically underserved community" means a community that:

(A) is located in a county with a population of 50,000 or less;

(B) has been designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) has been designated as a medically underserved community by the office [~~center~~].

Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office [~~center~~] shall appoint an advisory panel to assist in the office's

1 ~~[center's]~~ duties under this subchapter. The advisory panel must
2 consist of at least:

3 (1) one representative from the Texas Higher Education
4 Coordinating Board;

5 (2) one representative from the institutions of higher
6 education having degree programs for the health professions
7 participating in the programs under this subchapter;

8 (3) one representative from a hospital in a medically
9 underserved community;

10 (4) one physician practicing in a medically
11 underserved community;

12 (5) one health professional, other than a physician,
13 practicing in a medically underserved community; and

14 (6) one public representative who resides in a
15 medically underserved community.

16 Sec. 487.553 ~~[106.303]~~. LOAN REIMBURSEMENT PROGRAM. The
17 executive committee shall establish a program in the office
18 ~~[center]~~ to assist communities in recruiting health professionals
19 to practice in medically underserved communities by providing loan
20 reimbursement for health professionals who serve in those
21 communities.

22 Sec. 487.554 ~~[106.304]~~. STIPEND PROGRAM. (a) The
23 executive committee shall establish a program in the office
24 ~~[center]~~ to assist communities in recruiting health professionals
25 to practice in medically underserved communities by providing a
26 stipend to health professionals who agree to serve in those
27 communities.

1 (b) A stipend awarded under this section shall be paid in
2 periodic installments.

3 (c) A health professional who participates in the program
4 established under this section must establish an office and
5 residency in the medically underserved area before receiving any
6 portion of the stipend.

7 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
8 professional may receive assistance under this subchapter only if
9 the health professional signs a contract agreeing to provide health
10 care services in a medically underserved community.

11 (b) A student in a degree program preparing to become a
12 health professional may contract with the office [~~center~~] for the
13 loan reimbursement program under Section 487.553 [~~106.303~~] before
14 obtaining the license required to become a health professional.

15 (c) The office [~~center~~] may contract with a health
16 professional for part-time services under the stipend program
17 established under Section 487.554 [~~106.304~~].

18 (d) A health professional who participates in any loan
19 reimbursement program is not eligible for a stipend under Section
20 487.554 [~~106.304~~].

21 (e) A contract under this section must provide that a health
22 professional who does not provide the required services to the
23 community or provides those services for less than the required
24 time is personally liable to the state for:

25 (1) the total amount of assistance the health
26 professional received from the office [~~center~~] and the medically
27 underserved community;

(2) interest on the amount under Subdivision (1) at a rate set by the executive committee;

(3) the state's reasonable expenses incurred in obtaining payment, including reasonable attorney's fees; and

(4) a penalty as established by the executive committee by rule to help ensure compliance with the contract.

(f) Amounts recovered under Subsection (e) shall be deposited in the permanent endowment fund for the rural communities health care investment program under Section 487.558 [~~106.308~~].

Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE [~~CENTER~~]. (a) The executive committee shall adopt rules necessary for the administration of this subchapter, including guidelines for:

(1) developing contracts under which loan reimbursement or stipend recipients provide services to qualifying communities;

(2) identifying the duties of the state, state agency, loan reimbursement or stipend recipient, and medically underserved community under the loan reimbursement or stipend contract;

(3) determining a rate of interest to be charged under Section 487.555(e)(2) [~~106.305(e)(2)~~];

(4) ensuring that a loan reimbursement or stipend recipient provides access to health services to participants in government-funded health benefits programs in qualifying communities;

(5) encouraging the use of telecommunications or telemedicine, as appropriate;

1 (6) prioritizing the provision of loan reimbursements
2 and stipends to health professionals who are not eligible for any
3 other state loan forgiveness, loan repayment, or stipend program;

4 (7) prioritizing the provision of loan reimbursements
5 and stipends to health professionals who are graduates of health
6 professional degree programs in this state;

7 (8) encouraging a medically underserved community
8 served by a loan reimbursement or stipend recipient to contribute
9 to the cost of the loan reimbursement or stipend when making a
10 contribution is feasible; and

11 (9) requiring a medically underserved community
12 served by a loan reimbursement or stipend recipient to assist the
13 office [~~center~~] in contracting with the loan reimbursement or
14 stipend recipient who will serve that community.

15 (b) The executive committee by rule may designate areas of
16 the state as medically underserved communities.

17 (c) The executive committee shall make reasonable efforts
18 to contract with health professionals from a variety of different
19 health professions.

20 Sec. 487.557 [~~406.307~~]. USE OF TELECOMMUNICATION AND
21 TELEMEDICINE. A health professional who participates in a program
22 under this subchapter may not use telecommunication technology,
23 including telemedicine, as the sole or primary method of providing
24 services and may not use telecommunication technology as a
25 substitute for providing health care services in person. A health
26 professional who participates in a program under this subchapter
27 may use telecommunication technology only to supplement or enhance

1 the health care services provided by the health professional.

2 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
3 permanent endowment fund for the rural communities health care
4 investment program is a special fund in the treasury outside the
5 general revenue fund.

6 (b) The fund is composed of:

7 (1) money transferred to the fund at the direction of
8 the legislature;

9 (2) gifts and grants contributed to the fund;

10 (3) the returns received from investment of money in
11 the fund; and

12 (4) amounts recovered under Section 487.555(e)
13 [~~106.305(e)~~].

14 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND.

15 (a) The office [~~center~~] may administer the permanent endowment
16 fund for the rural communities health care investment program. If
17 the office [~~center~~] elects not to administer the fund, the
18 comptroller shall administer the fund.

19 (b) The administrator of the fund shall invest the fund in a
20 manner intended to preserve the purchasing power of the fund's
21 assets and the fund's annual distributions. The administrator may
22 acquire, exchange, sell, supervise, manage, or retain, through
23 procedures and subject to restrictions the administrator considers
24 appropriate, any kind of investment of the fund's assets that
25 prudent investors, exercising reasonable care, skill, and caution,
26 would acquire or retain in light of the purposes, terms,
27 distribution requirements, and other circumstances of the fund then

1 prevailing, taking into consideration the investment of all the
2 assets of the fund rather than a single investment.

3 (c) The comptroller or the office [~~center~~] may solicit and
4 accept gifts and grants to the fund.

5 (d) Annual distributions for the fund shall be determined by
6 the investment and distribution policy adopted by the administrator
7 of the fund for the fund's assets.

8 (e) Except as provided by Subsection (f), money in the fund
9 may not be used for any purpose.

10 (f) The amount available for distribution from the fund,
11 including any gift or grant, may be appropriated only for providing
12 stipends and loan reimbursement under the programs authorized by
13 this subchapter and to pay the expenses of managing the fund. The
14 expenditure of a gift or grant is subject to any limitation or
15 requirement placed on the gift or grant by the donor or granting
16 entity.

17 (g) Sections 403.095 and 404.071, Government Code, do not
18 apply to the fund. Section 404.094(d), Government Code, applies to
19 the fund.

20 Sec. 487.560 [~~406.310~~]. REPORTING REQUIREMENT. The office
21 [~~center~~] shall provide a report on the permanent endowment fund for
22 the rural communities health care investment program to the
23 Legislative Budget Board not later than November 1 of each year. The
24 report must include the total amount of money the office [~~center~~]
25 received from the fund, the purpose for which the money was used,
26 and any additional information that may be requested by the
27 Legislative Budget Board.

SECTION 7. Section 38.011(j), Education Code, as added by Section 1, Chapter 1418, Acts of the 76th Legislature, Regular Session, 1999, as amended by Section 4, Chapter 1424, Acts of the 77th Legislature, Regular Session, 2001, and as amended and redesignated as Section 38.060(a), Education Code, by Section 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is reenacted to read as follows:

(a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or

(2) has been designated under state or federal law as:

(A) a health professional shortage area;

(B) a medically underserved area; or

(C) a medically underserved community by the Office of Rural Community Affairs.

SECTION 8. Section 61.0899, Education Code, is amended to read as follows:

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in cooperation with the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] and the office's [~~center's~~] advisory panel established under Section 487.552 [~~106.302~~], Government [~~Health and Safety~~] Code, ensure that the board seeks to obtain the maximum amount of funds from any source, including federal funds, to support programs to provide student loan reimbursement or stipends for graduates of degree programs in this state who

1 practice or agree to practice in a medically underserved community.

2 SECTION 9. Section 110.001, Health and Safety Code, as
3 added by Chapter 1221, Acts of the 77th Legislature, Regular
4 Session, 2001, is amended to read as follows:

5 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall
7 establish the Rural Foundation as a nonprofit corporation that
8 complies with the Texas Non-Profit Corporation Act (Article
9 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
10 otherwise provided by this chapter, and qualifies as an
11 organization exempt from federal income tax under Section
12 501(c)(3), Internal Revenue Code of 1986, as amended.

13 (b) The Office of Rural Community Affairs [~~Center for Rural~~
14 ~~Health Initiatives~~] shall ensure that the Rural Foundation operates
15 independently of any state agency or political subdivision of the
16 state.

17 SECTION 10. Section 110.002(c), Health and Safety Code, as
18 added by Chapter 1221, Acts of the 77th Legislature, Regular
19 Session, 2001, is amended to read as follows:

20 (c) The Rural Foundation shall develop and implement
21 policies and procedures that clearly separate the responsibilities
22 and activities of the foundation from the Office of Rural Community
23 Affairs [~~Center for Rural Health Initiatives~~].

24 SECTION 11. Section 110.003(a), Health and Safety Code, as
25 added by Chapter 1221, Acts of the 77th Legislature, Regular
26 Session, 2001, is amended to read as follows:

27 (a) The Rural Foundation is governed by a board of five

1 directors appointed by the executive committee of the Office of
2 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
3 individuals recommended by the executive director of the Office of
4 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

5 SECTION 12. Section 110.004(b), Health and Safety Code, as
6 added by Chapter 1221, Acts of the 77th Legislature, Regular
7 Session, 2001, is amended to read as follows:

8 (b) A person may not be a member of the board of directors of
9 the Rural Foundation and may not be a foundation employee employed
10 in a "bona fide executive, administrative, or professional
11 capacity," as that phrase is used for purposes of establishing an
12 exemption to the overtime provisions of the federal Fair Labor
13 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended,
14 if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association that is in the field of
17 health care or that contracts with the foundation; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association that is in the field of
20 health care or that contracts with the foundation.

21 SECTION 13. Section 110.005(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) If the executive director of the Office of Rural
25 Community Affairs [~~Center for Rural Health Initiatives~~] has
26 knowledge that a potential ground for removal exists, the executive
27 director shall notify the presiding officer of the board of

1 directors of the Rural Foundation of the potential ground. The
2 presiding officer shall then notify the governor and the attorney
3 general that a potential ground for removal exists. If the
4 potential ground for removal involves the presiding officer, the
5 executive director shall notify the next highest ranking officer of
6 the board of directors, who shall then notify the governor and the
7 attorney general that a potential ground for removal exists.

8 SECTION 14. Section 110.010, Health and Safety Code, as
9 added by Chapter 1221, Acts of the 77th Legislature, Regular
10 Session, 2001, is amended to read as follows:

11 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
12 Foundation and the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] shall enter into a memorandum of
14 understanding that:

15 (1) requires the board of directors and staff of the
16 foundation to report to the executive director and executive
17 committee of the Office of Rural Community Affairs [~~Center for~~
18 ~~Rural Health Initiatives~~];

19 (2) allows the Office of Rural Community Affairs
20 [~~Center for Rural Health Initiatives~~] to provide staff functions to
21 the foundation;

22 (3) allows the Office of Rural Community Affairs
23 [~~Center for Rural Health Initiatives~~] to expend funds on the
24 foundation; and

25 (4) outlines the financial contributions to be made to
26 the foundation from funds obtained from grants and other sources.

27 SECTION 15. Section 110.011(a), Health and Safety Code, as

1 added by Chapter 1221, Acts of the 77th Legislature, Regular
2 Session, 2001, is amended to read as follows:

3 (a) The Rural Foundation shall maintain financial records
4 and reports independently from those of the Office of Rural
5 Community Affairs [~~Center for Rural Health Initiatives~~].

6 SECTION 16. Section 110.012, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
10 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
11 60th day after the last day of the fiscal year, the Rural Foundation
12 shall submit to the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] a report itemizing all income and
14 expenditures and describing all activities of the foundation during
15 the preceding fiscal year.

16 SECTION 17. Section 155.1025(a), Occupations Code, is
17 amended to read as follows:

18 (a) The board shall adopt rules for expediting any
19 application for a license under this subtitle made by a person who
20 is licensed to practice medicine in another state or country and who
21 submits an affidavit with the application stating that:

22 (1) the applicant intends to practice in a rural
23 community, as determined by the Office of Rural Community Affairs
24 [~~Center for Rural Health Initiatives~~]; or

25 (2) the applicant intends to:

26 (A) accept employment with an entity located in a
27 medically underserved area or health professional shortage area,

1 designated by the United States Department of Health and Human
2 Services, and affiliated with or participating in a public
3 university-sponsored graduate medical education program;

4 (B) serve on the faculty of the public
5 university-sponsored graduate medical education program; and

6 (C) engage in the practice of medicine and
7 teaching in a specialty field of medicine that is necessary to
8 obtain or maintain the accreditation of the public
9 university-sponsored graduate medical education program by the
10 Accreditation Council for Graduate Medical Education.

11 SECTION 18. Section 531.02172, Government Code, as amended
12 by Chapters 661 and 959, Acts of the 77th Legislature, Regular
13 Session, 2001, is reenacted and amended to read as follows:

14 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
15 commissioner shall establish an advisory committee to assist the
16 commission in:

17 (1) evaluating policies for telemedical consultations
18 under Section 531.0217;

19 (2) evaluating policies for telemedicine medical
20 services or telehealth services pilot programs established under
21 Section 531.02171;

22 (3) ensuring the efficient and consistent development
23 and use of telecommunication technology for telemedical
24 consultations and telemedicine medical services or telehealth
25 services reimbursed under government-funded health programs;

26 (4) monitoring the type of programs receiving
27 reimbursement under Sections 531.0217 and 531.02171; and

1 (5) coordinating the activities of state agencies
2 concerned with the use of telemedical consultations and
3 telemedicine medical services or telehealth services.

4 (b) The advisory committee must include:

5 (1) representatives of health and human services
6 agencies and other state agencies concerned with the use of
7 telemedical consultations in the Medicaid program and the state
8 child health plan program, including representatives of:

9 (A) the commission;

10 (B) the Texas Department of Health;

11 (C) the Office of Rural Community Affairs [~~Center~~
12 ~~for Rural Health Initiatives~~];

13 (D) the Telecommunications Infrastructure Fund
14 Board;

15 (E) the Texas Department of Insurance;

16 (F) the Texas State Board of Medical Examiners;

17 (G) the Board of Nurse Examiners; and

18 (H) the Texas State Board of Pharmacy;

19 (2) representatives of health science centers in this
20 state;

21 (3) experts on telemedicine, telemedical
22 consultation, and telemedicine medical services or telehealth
23 services; and

24 (4) representatives of consumers of health services
25 provided through telemedical consultations and telemedicine
26 medical services or telehealth services.

27 (c) A member of the advisory committee serves at the will of

1 the commissioner.

2 SECTION 19. The following provisions are repealed:

3 (1) Section 106.025(a), Health and Safety Code, as
4 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
5 Regular Session, 2001;

6 (2) Section 106.029, Health and Safety Code, as added
7 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
8 Session, 2001; and

9 (3) Section 106.043(b), Health and Safety Code, as
10 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
11 Regular Session, 2001.

12 SECTION 20. This Act takes effect September 1, 2003.

HOUSE ENGROSSMENT

By: Hardcastle, Christian, Hughes

H.B. No. 1877

A BILL TO BE ENTITLED

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to

1 rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office
14 shall pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.
17 (a) The office shall assign physicians to provide relief to a rural
18 area in accordance with the following priorities:

- 19 (1) solo practitioners;
20 (2) counties that have fewer than seven residents per
21 square mile;
22 (3) counties that have been designated under federal
23 law as a health professional shortage area;
24 (4) counties that do not have a hospital; and
25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
16 relief advisory committee is composed of the following members
17 appointed by the executive committee:

18 (1) a physician who practices in the area of general
19 family medicine in a rural county;

20 (2) a physician who practices in the area of general
21 internal medicine in a rural county;

22 (3) a physician who practices in the area of general
23 pediatrics in a rural county;

24 (4) a representative from an accredited Texas medical
25 school;

26 (5) a program director from an accredited primary care
27 residency program;

1 (6) a representative from the Texas Higher Education
2 Coordinating Board; and

3 (7) a representative from the Texas State Board of
4 Medical Examiners.

5 (b) The advisory committee shall assist the office in
6 administering the program.

7 SECTION 2. Section 487.051, Government Code, is amended to
8 read as follows:

9 Sec. 487.051. POWERS AND DUTIES. The office shall:

10 (1) develop a rural policy for the state in
11 consultation with local leaders representing all facets of rural
12 community life, academic and industry experts, and state elected
13 and appointed officials with interests in rural communities;

14 (2) work with other state agencies and officials to
15 improve the results and the cost-effectiveness of state programs
16 affecting rural communities through coordination of efforts;

17 (3) develop programs to improve the leadership
18 capacity of rural community leaders;

19 (4) monitor developments that have a substantial
20 effect on rural Texas communities, especially actions of state
21 government, and compile an annual report describing and evaluating
22 the condition of rural communities;

23 (5) administer the federal community development
24 block grant nonentitlement program;

25 (6) administer programs supporting rural health care
26 as provided by this chapter [~~Subchapters D-H~~];

27 (7) perform research to determine the most beneficial

1 and cost-effective ways to improve the welfare of rural
2 communities;

3 (8) ensure that the office qualifies as the state's
4 office of rural health for the purpose of receiving grants from the
5 Office of Rural Health Policy of the United States Department of
6 Health and Human Services under 42 U.S.C. Section 254r; ~~and~~

7 (9) manage the state's Medicare rural hospital
8 flexibility program under 42 U.S.C. Section 1395i-4; and

9 (10) seek state and federal money available for
10 economic development in rural areas for programs under this
11 chapter.

12 SECTION 3. Section 106.026(b), Health and Safety Code, as
13 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
14 Regular Session, 2001, is redesignated as Section 487.056(b),
15 Government Code, and Section 487.056, Government Code, is amended
16 to read as follows:

17 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
18 January 1 of each odd-numbered year, the office shall submit a
19 biennial report to the legislature regarding the activities of the
20 office, the activities of the Rural Foundation, and any findings
21 and recommendations relating to rural issues.

22 (b) The office ~~[center]~~ shall obtain information from each
23 county about indigent health care provided in the county and
24 information from each university, medical school, rural community,
25 or rural health care provider that has performed a study relating to
26 rural health care during the biennium. The office ~~[center]~~ shall
27 include the information obtained under this subsection in the

office's [~~center's~~] report to the legislature.

SECTION 4. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 831, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter K, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
PROGRAM FOR STUDENTS

Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Health care professional" means:

- (A) an advanced nurse practitioner;
- (B) a dentist;
- (C) a dental hygienist;
- (D) a laboratory technician;
- (E) a licensed vocational nurse;
- (F) a licensed professional counselor;
- (G) a medical radiological technologist;
- (H) an occupational therapist;
- (I) a pharmacist;
- (J) a physical therapist;
- (K) a physician;
- (L) a physician assistant;
- (M) a psychologist;
- (N) a registered nurse;
- (O) a social worker;
- (P) a speech-language pathologist;
- (Q) a veterinarian;
- (R) a chiropractor; and

(S) another appropriate health care professional identified by the executive committee.

(2) "Program" means the community healthcare awareness and mentoring program for students established under this subchapter.

(3) "Underserved urban area" means an urban area of this state with a medically underserved population, as determined in accordance with criteria adopted by the board by rule, considering relevant demographic, geographic, and environmental factors.

Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in collaboration with Area Health Education Center Programs, shall establish a community healthcare awareness and mentoring program for students to:

(1) identify high school students in rural and underserved urban areas who are interested in serving those areas as health care professionals;

(2) identify health care professionals in rural and underserved urban areas to act as positive role models, mentors, or reference resources for the interested high school students;

(3) introduce interested high school students to the spectrum of professional health care careers through activities such as health care camps and shadowing of health care professionals;

(4) encourage a continued interest in service as health care professionals in rural and underserved urban areas by

1 providing mentors and community resources for students
2 participating in training or educational programs to become health
3 care professionals; and

4 (5) provide continuing community-based support for
5 students during the period the students are attending training or
6 educational programs to become health care professionals,
7 including summer job opportunities and opportunities to mentor high
8 school students in the community.

9 (b) In connection with the program, the office ~~[center]~~
10 shall establish and maintain an updated medical resource library
11 that contains information relating to medical careers. The office
12 ~~[center]~~ shall make the library available to school counselors,
13 students, and parents of students.

14 Sec. 487.453 ~~[106.253]~~. ADMINISTRATION. (a) The office
15 ~~[center]~~ shall administer or contract for the administration of the
16 program.

17 (b) The office ~~[center]~~ may solicit and accept gifts,
18 grants, donations, and contributions to support the program.

19 (c) The office ~~[center]~~ may administer the program in
20 cooperation with other public and private entities.

21 (d) The office, in consultation with Area Health Education
22 Center Programs, ~~[center]~~ shall coordinate the program with similar
23 programs, including programs relating to workforce development,
24 scholarships for education, and employment of students, that are
25 administered by other agencies, such as the Texas Workforce
26 Commission and local workforce development boards.

27 Sec. 487.454 ~~[106.254]~~. GRANTS; ELIGIBILITY. (a) Subject

1 to available funds, the executive committee shall develop and
2 implement, as a component of the program, a grant program to support
3 employment opportunities in rural and underserved urban areas in
4 this state for students participating in training or educational
5 programs to become health care professionals.

6 (b) In awarding grants under the program, the executive
7 committee shall give first priority to grants to training or
8 educational programs that provide internships to students.

9 (c) To be eligible to receive a grant under the grant
10 program, a person must:

11 (1) apply for the grant on a form adopted by the
12 executive committee;

13 (2) be enrolled or intend to be enrolled in a training
14 or educational program to become a health care professional;

15 (3) commit to practice or work, after licensure as a
16 health care professional, for at least one year as a health care
17 professional in a rural or underserved urban area in this state; and

18 (4) comply fully with any practice or requirements
19 associated with any scholarship, loan, or other similar benefit
20 received by the student.

21 (d) As a condition of receiving a grant under the program
22 the student must agree to repay the amount of the grant, plus a
23 penalty in an amount established by rule of the executive committee
24 not to exceed two times the amount of the grant, if the student
25 becomes licensed as a health care professional and fails to
26 practice or work for at least one year as a health care professional
27 in a rural or underserved urban area in this state.

1 SECTION 5. Subchapter H, Chapter 106, Health and Safety
2 Code, as added by Section 1, Chapter 1112, Acts of the 77th
3 Legislature, Regular Session, 2001, is redesignated as Subchapter
4 L, Chapter 487, Government Code, and amended to read as follows:

5 SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

6 Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

7 (1) "Rural community" means a rural area as defined by
8 the office [~~center~~].

9 (2) "Medical school" has the meaning assigned by
10 Section 61.501, Education Code.

11 Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office
12 [~~center~~] may accept gifts, grants, and donations to support the
13 rural physician recruitment program.

14 Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT
15 PROGRAM. (a) The office [~~center~~] shall establish a process in
16 consultation with the Texas Higher Education Coordinating Board for
17 selecting [~~a~~] Texas medical schools [~~school~~] to recruit students
18 from rural communities and encourage them to return to rural
19 communities to practice medicine.

20 (b) The Texas medical schools [~~school~~] selected [~~by the~~
21 ~~center~~] shall:

22 (1) encourage high school and college students from
23 rural communities to pursue a career in medicine;

24 (2) develop a screening process to identify rural
25 students most likely to pursue a career in medicine;

26 (3) establish a rural medicine curriculum;

27 (4) establish a mentoring program for rural students;

(5) provide rural students with information about financial aid resources available for postsecondary education; and

(6) establish a rural practice incentive program.

SECTION 6. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter M, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

(1) "Health professional" means a person other than a physician who holds a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to practice in a health care profession.

(2) "Medically underserved community" means a community that:

(A) is located in a county with a population of 50,000 or less;

(B) has been designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) has been designated as a medically underserved community by the office [~~center~~].

Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office [~~center~~] shall appoint an advisory panel to assist in the office's

1 ~~[center's]~~ duties under this subchapter. The advisory panel must
2 consist of at least:

3 (1) one representative from the Texas Higher Education
4 Coordinating Board;

5 (2) one representative from the institutions of higher
6 education having degree programs for the health professions
7 participating in the programs under this subchapter;

8 (3) one representative from a hospital in a medically
9 underserved community;

10 (4) one physician practicing in a medically
11 underserved community;

12 (5) one health professional, other than a physician,
13 practicing in a medically underserved community; and

14 (6) one public representative who resides in a
15 medically underserved community.

16 Sec. 487.553 ~~[106.303]~~. LOAN REIMBURSEMENT PROGRAM. The
17 executive committee shall establish a program in the office
18 ~~[center]~~ to assist communities in recruiting health professionals
19 to practice in medically underserved communities by providing loan
20 reimbursement for health professionals who serve in those
21 communities.

22 Sec. 487.554 ~~[106.304]~~. STIPEND PROGRAM. (a) The
23 executive committee shall establish a program in the office
24 ~~[center]~~ to assist communities in recruiting health professionals
25 to practice in medically underserved communities by providing a
26 stipend to health professionals who agree to serve in those
27 communities.

1 (b) A stipend awarded under this section shall be paid in
2 periodic installments.

3 (c) A health professional who participates in the program
4 established under this section must establish an office and
5 residency in the medically underserved area before receiving any
6 portion of the stipend.

7 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
8 professional may receive assistance under this subchapter only if
9 the health professional signs a contract agreeing to provide health
10 care services in a medically underserved community.

11 (b) A student in a degree program preparing to become a
12 health professional may contract with the office [~~center~~] for the
13 loan reimbursement program under Section 487.553 [~~106.303~~] before
14 obtaining the license required to become a health professional.

15 (c) The office [~~center~~] may contract with a health
16 professional for part-time services under the stipend program
17 established under Section 487.554 [~~106.304~~].

18 (d) A health professional who participates in any loan
19 reimbursement program is not eligible for a stipend under Section
20 487.554 [~~106.304~~].

21 (e) A contract under this section must provide that a health
22 professional who does not provide the required services to the
23 community or provides those services for less than the required
24 time is personally liable to the state for:

25 (1) the total amount of assistance the health
26 professional received from the office [~~center~~] and the medically
27 underserved community;

1 (2) interest on the amount under Subdivision (1) at a
2 rate set by the executive committee;

3 (3) the state's reasonable expenses incurred in
4 obtaining payment, including reasonable attorney's fees; and

5 (4) a penalty as established by the executive
6 committee by rule to help ensure compliance with the contract.

7 (f) Amounts recovered under Subsection (e) shall be
8 deposited in the permanent endowment fund for the rural communities
9 health care investment program under Section 487.558 [~~106.308~~].

10 Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE
11 [~~CENTER~~]. (a) The executive committee shall adopt rules necessary
12 for the administration of this subchapter, including guidelines
13 for:

14 (1) developing contracts under which loan
15 reimbursement or stipend recipients provide services to qualifying
16 communities;

17 (2) identifying the duties of the state, state agency,
18 loan reimbursement or stipend recipient, and medically underserved
19 community under the loan reimbursement or stipend contract;

20 (3) determining a rate of interest to be charged under
21 Section 487.555(e)(2) [~~106.305(e)(2)~~];

22 (4) ensuring that a loan reimbursement or stipend
23 recipient provides access to health services to participants in
24 government-funded health benefits programs in qualifying
25 communities;

26 (5) encouraging the use of telecommunications or
27 telemedicine, as appropriate;

1 (6) prioritizing the provision of loan reimbursements
2 and stipends to health professionals who are not eligible for any
3 other state loan forgiveness, loan repayment, or stipend program;

4 (7) prioritizing the provision of loan reimbursements
5 and stipends to health professionals who are graduates of health
6 professional degree programs in this state;

7 (8) encouraging a medically underserved community
8 served by a loan reimbursement or stipend recipient to contribute
9 to the cost of the loan reimbursement or stipend when making a
10 contribution is feasible; and

11 (9) requiring a medically underserved community
12 served by a loan reimbursement or stipend recipient to assist the
13 office [~~center~~] in contracting with the loan reimbursement or
14 stipend recipient who will serve that community.

15 (b) The executive committee by rule may designate areas of
16 the state as medically underserved communities.

17 (c) The executive committee shall make reasonable efforts
18 to contract with health professionals from a variety of different
19 health professions.

20 Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND
21 TELEMEDICINE. A health professional who participates in a program
22 under this subchapter may not use telecommunication technology,
23 including telemedicine, as the sole or primary method of providing
24 services and may not use telecommunication technology as a
25 substitute for providing health care services in person. A health
26 professional who participates in a program under this subchapter
27 may use telecommunication technology only to supplement or enhance

1 the health care services provided by the health professional.

2 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
3 permanent endowment fund for the rural communities health care
4 investment program is a special fund in the treasury outside the
5 general revenue fund.

6 (b) The fund is composed of:

7 (1) money transferred to the fund at the direction of
8 the legislature;

9 (2) gifts and grants contributed to the fund;

10 (3) the returns received from investment of money in
11 the fund; and

12 (4) amounts recovered under Section 487.555(e)
13 [~~106.305(e)~~].

14 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND.

15 (a) The office [~~center~~] may administer the permanent endowment
16 fund for the rural communities health care investment program. If
17 the office [~~center~~] elects not to administer the fund, the
18 comptroller shall administer the fund.

19 (b) The administrator of the fund shall invest the fund in a
20 manner intended to preserve the purchasing power of the fund's
21 assets and the fund's annual distributions. The administrator may
22 acquire, exchange, sell, supervise, manage, or retain, through
23 procedures and subject to restrictions the administrator considers
24 appropriate, any kind of investment of the fund's assets that
25 prudent investors, exercising reasonable care, skill, and caution,
26 would acquire or retain in light of the purposes, terms,
27 distribution requirements, and other circumstances of the fund then

1 prevailing, taking into consideration the investment of all the
2 assets of the fund rather than a single investment.

3 (c) The comptroller or the office [~~center~~] may solicit and
4 accept gifts and grants to the fund.

5 (d) Annual distributions for the fund shall be determined by
6 the investment and distribution policy adopted by the administrator
7 of the fund for the fund's assets.

8 (e) Except as provided by Subsection (f), money in the fund
9 may not be used for any purpose.

10 (f) The amount available for distribution from the fund,
11 including any gift or grant, may be appropriated only for providing
12 stipends and loan reimbursement under the programs authorized by
13 this subchapter and to pay the expenses of managing the fund. The
14 expenditure of a gift or grant is subject to any limitation or
15 requirement placed on the gift or grant by the donor or granting
16 entity.

17 (g) Sections 403.095 and 404.071, Government Code, do not
18 apply to the fund. Section 404.094(d), Government Code, applies to
19 the fund.

20 Sec. 487.560 [~~406.310~~]. REPORTING REQUIREMENT. The office
21 [~~center~~] shall provide a report on the permanent endowment fund for
22 the rural communities health care investment program to the
23 Legislative Budget Board not later than November 1 of each year. The
24 report must include the total amount of money the office [~~center~~]
25 received from the fund, the purpose for which the money was used,
26 and any additional information that may be requested by the
27 Legislative Budget Board.

1 SECTION 7. Section 38.011(j), Education Code, as added by
2 Section 1, Chapter 1418, Acts of the 76th Legislature, Regular
3 Session, 1999, as amended by Section 4, Chapter 1424, Acts of the
4 77th Legislature, Regular Session, 2001, and as amended and
5 redesignated as Section 38.060(a), Education Code, by Section
6 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session,
7 2001, is reenacted to read as follows:

8 (a) This section applies only to a school-based health
9 center serving an area that:

10 (1) is located in a county with a population not
11 greater than 50,000; or

12 (2) has been designated under state or federal law as:

13 (A) a health professional shortage area;

14 (B) a medically underserved area; or

15 (C) a medically underserved community by the
16 Office of Rural Community Affairs.

17 SECTION 8. Section 61.0899, Education Code, is amended to
18 read as follows:

19 Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN
20 REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in
21 cooperation with the Office of Rural Community Affairs [~~Center for~~
22 ~~Rural Health Initiatives~~] and the office's [~~center's~~] advisory
23 panel established under Section 487.552 [~~106.302~~], Government
24 [~~Health and Safety~~] Code, ensure that the board seeks to obtain the
25 maximum amount of funds from any source, including federal funds,
26 to support programs to provide student loan reimbursement or
27 stipends for graduates of degree programs in this state who

1 practice or agree to practice in a medically underserved community.

2 SECTION 9. Section 110.001, Health and Safety Code, as
3 added by Chapter 1221, Acts of the 77th Legislature, Regular
4 Session, 2001, is amended to read as follows:

5 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall
7 establish the Rural Foundation as a nonprofit corporation that
8 complies with the Texas Non-Profit Corporation Act (Article
9 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
10 otherwise provided by this chapter, and qualifies as an
11 organization exempt from federal income tax under Section
12 501(c)(3), Internal Revenue Code of 1986, as amended.

13 (b) The Office of Rural Community Affairs [~~Center for Rural~~
14 ~~Health Initiatives~~] shall ensure that the Rural Foundation operates
15 independently of any state agency or political subdivision of the
16 state.

17 SECTION 10. Section 110.002(c), Health and Safety Code, as
18 added by Chapter 1221, Acts of the 77th Legislature, Regular
19 Session, 2001, is amended to read as follows:

20 (c) The Rural Foundation shall develop and implement
21 policies and procedures that clearly separate the responsibilities
22 and activities of the foundation from the Office of Rural Community
23 Affairs [~~Center for Rural Health Initiatives~~].

24 SECTION 11. Section 110.003(a), Health and Safety Code, as
25 added by Chapter 1221, Acts of the 77th Legislature, Regular
26 Session, 2001, is amended to read as follows:

27 (a) The Rural Foundation is governed by a board of five

1 directors appointed by the executive committee of the Office of
2 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
3 individuals recommended by the executive director of the Office of
4 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

5 SECTION 12. Section 110.004(b), Health and Safety Code, as
6 added by Chapter 1221, Acts of the 77th Legislature, Regular
7 Session, 2001, is amended to read as follows:

8 (b) A person may not be a member of the board of directors of
9 the Rural Foundation and may not be a foundation employee employed
10 in a "bona fide executive, administrative, or professional
11 capacity," as that phrase is used for purposes of establishing an
12 exemption to the overtime provisions of the federal Fair Labor
13 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended,
14 if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association that is in the field of
17 health care or that contracts with the foundation; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association that is in the field of
20 health care or that contracts with the foundation.

21 SECTION 13. Section 110.005(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) If the executive director of the Office of Rural
25 Community Affairs [~~Center for Rural Health Initiatives~~] has
26 knowledge that a potential ground for removal exists, the executive
27 director shall notify the presiding officer of the board of

1 directors of the Rural Foundation of the potential ground. The
2 presiding officer shall then notify the governor and the attorney
3 general that a potential ground for removal exists. If the
4 potential ground for removal involves the presiding officer, the
5 executive director shall notify the next highest ranking officer of
6 the board of directors, who shall then notify the governor and the
7 attorney general that a potential ground for removal exists.

8 SECTION 14. Section 110.010, Health and Safety Code, as
9 added by Chapter 1221, Acts of the 77th Legislature, Regular
10 Session, 2001, is amended to read as follows:

11 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
12 Foundation and the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] shall enter into a memorandum of
14 understanding that:

15 (1) requires the board of directors and staff of the
16 foundation to report to the executive director and executive
17 committee of the Office of Rural Community Affairs [~~Center for~~
18 ~~Rural Health Initiatives~~];

19 (2) allows the Office of Rural Community Affairs
20 [~~Center for Rural Health Initiatives~~] to provide staff functions to
21 the foundation;

22 (3) allows the Office of Rural Community Affairs
23 [~~Center for Rural Health Initiatives~~] to expend funds on the
24 foundation; and

25 (4) outlines the financial contributions to be made to
26 the foundation from funds obtained from grants and other sources.

27 SECTION 15. Section 110.011(a), Health and Safety Code, as

1 added by Chapter 1221, Acts of the 77th Legislature, Regular
2 Session, 2001, is amended to read as follows:

3 (a) The Rural Foundation shall maintain financial records
4 and reports independently from those of the Office of Rural
5 Community Affairs [~~Center for Rural Health Initiatives~~].

6 SECTION 16. Section 110.012, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
10 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
11 60th day after the last day of the fiscal year, the Rural Foundation
12 shall submit to the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] a report itemizing all income and
14 expenditures and describing all activities of the foundation during
15 the preceding fiscal year.

16 SECTION 17. Section 155.1025(a), Occupations Code, is
17 amended to read as follows:

18 (a) The board shall adopt rules for expediting any
19 application for a license under this subtitle made by a person who
20 is licensed to practice medicine in another state or country and who
21 submits an affidavit with the application stating that:

22 (1) the applicant intends to practice in a rural
23 community, as determined by the Office of Rural Community Affairs
24 [~~Center for Rural Health Initiatives~~]; or

25 (2) the applicant intends to:

26 (A) accept employment with an entity located in a
27 medically underserved area or health professional shortage area,

1 designated by the United States Department of Health and Human
2 Services, and affiliated with or participating in a public
3 university-sponsored graduate medical education program;

4 (B) serve on the faculty of the public
5 university-sponsored graduate medical education program; and

6 (C) engage in the practice of medicine and
7 teaching in a specialty field of medicine that is necessary to
8 obtain or maintain the accreditation of the public
9 university-sponsored graduate medical education program by the
10 Accreditation Council for Graduate Medical Education.

11 SECTION 18. Section 531.02172, Government Code, as amended
12 by Chapters 661 and 959, Acts of the 77th Legislature, Regular
13 Session, 2001, is reenacted and amended to read as follows:

14 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
15 commissioner shall establish an advisory committee to assist the
16 commission in:

17 (1) evaluating policies for telemedical consultations
18 under Section 531.0217;

19 (2) evaluating policies for telemedicine medical
20 services or telehealth services pilot programs established under
21 Section 531.02171;

22 (3) ensuring the efficient and consistent development
23 and use of telecommunication technology for telemedical
24 consultations and telemedicine medical services or telehealth
25 services reimbursed under government-funded health programs;

26 (4) monitoring the type of programs receiving
27 reimbursement under Sections 531.0217 and 531.02171; and

1 (5) coordinating the activities of state agencies
2 concerned with the use of telemedical consultations and
3 telemedicine medical services or telehealth services.

4 (b) The advisory committee must include:

5 (1) representatives of health and human services
6 agencies and other state agencies concerned with the use of
7 telemedical consultations in the Medicaid program and the state
8 child health plan program, including representatives of:

9 (A) the commission;

10 (B) the Texas Department of Health;

11 (C) the Office of Rural Community Affairs [~~Center~~
12 ~~for Rural Health Initiatives~~];

13 (D) the Telecommunications Infrastructure Fund
14 Board;

15 (E) the Texas Department of Insurance;

16 (F) the Texas State Board of Medical Examiners;

17 (G) the Board of Nurse Examiners; and

18 (H) the Texas State Board of Pharmacy;

19 (2) representatives of health science centers in this
20 state;

21 (3) experts on telemedicine, telemedical
22 consultation, and telemedicine medical services or telehealth
23 services; and

24 (4) representatives of consumers of health services
25 provided through telemedical consultations and telemedicine
26 medical services or telehealth services.

27 (c) A member of the advisory committee serves at the will of

1 the commissioner.

2 SECTION 19. The following provisions are repealed:

3 (1) Section 106.025(a), Health and Safety Code, as
4 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
5 Regular Session, 2001;

6 (2) Section 106.029, Health and Safety Code, as added
7 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
8 Session, 2001; and

9 (3) Section 106.043(b), Health and Safety Code, as
10 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
11 Regular Session, 2001.

12 SECTION 20. This Act takes effect September 1, 2003.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 9, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1877, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>New General Revenue Dedicated - Rural Physician Relief</i>	Probable (Cost) from <i>New General Revenue Dedicated - Rural Physician Relief</i>
2004	\$2,407,970	(\$2,407,970)
2005	\$2,407,970	(\$2,407,970)
2006	\$2,407,970	(\$2,407,970)
2007	\$2,407,970	(\$2,407,970)
2008	\$2,407,970	(\$2,407,970)

Fiscal Analysis

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas from fees charged to physicians participating in the program. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created General Revenue Dedicated - Rural Physician Relief account. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

Methodology

The Office of Rural Community Affairs (ORCA) estimates that there would be 798 physicians participating in the program and each would require 24 hours of relief services at \$85 per hour. ORCA

also estimates that each of the 798 physicians would be charged \$125 per day of over-time for three days and \$200 per day for three days for other costs.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in the bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2003.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, JO, DLBa, RT, DE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), As Introduced

No significant fiscal implication to the State is anticipated.

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas using collected fees. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created GR Account-Rural Physician Relief. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

It is assumed ORCA could perform the duties and responsibilities associated with implementing the provisions of the bill by utilizing existing resources.

The bill would take effect September 1, 2003.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, RT, DE, KG

By: Hardcastle, Christian, Hughes
(Senate Sponsor - Madla)

H.B. No. 1877

(In the Senate - Received from the House May 1, 2003; May 6, 2003, read first time and referred to Committee on Intergovernmental Relations; May 16, 2003, reported favorably by the following vote: Yeas 4, Nays 0; May 16, 2003, sent to printer.)

A BILL TO BE ENTITLED
AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to rural physicians practicing in the fields of general family medicine, general internal medicine, and general pediatrics to facilitate the ability of those physicians to take time away from their practice.

Sec. 487.603. FEES. (a) The office shall charge a fee for rural physicians to participate in the program.

(b) The fees collected under this section shall be deposited in a special account in the general revenue fund that may be appropriated only to the office for administration of this subchapter.

Sec. 487.604. FUNDING. The office may solicit and accept gifts, grants, donations, and contributions to support the program.

Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office shall pay a physician providing relief under the program using fees collected by the center.

Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS. (a) The office shall assign physicians to provide relief to a rural area in accordance with the following priorities:

(1) solo practitioners;

(2) counties that have fewer than seven residents per square mile;

(3) counties that have been designated under federal law as a health professional shortage area;

(4) counties that do not have a hospital; and

(5) counties that have a hospital but do not have a continuously staffed hospital emergency room.

(b) In determining where to assign relief physicians, the office shall consider the number of physicians in the area available to provide relief services and the distance in that area to the nearest physician who practices in the same specialty.

(c) At the request of the office, residency program directors may assist the office in coordinating the assignment of relief physicians.

2-1 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
 2-2 shall actively recruit physicians to participate in the program as
 2-3 relief physicians. The office shall concentrate on recruiting
 2-4 physicians involved in an accredited residency program in general
 2-5 pediatrics, general internal medicine, and general family
 2-6 medicine, physicians registered on the office's locum tenens
 2-7 registry, physicians employed at a medical school, and physicians
 2-8 working for private locum tenens groups.

2-9 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
 2-10 relief advisory committee is composed of the following members
 2-11 appointed by the executive committee:

2-12 (1) a physician who practices in the area of general
 2-13 family medicine in a rural county;

2-14 (2) a physician who practices in the area of general
 2-15 internal medicine in a rural county;

2-16 (3) a physician who practices in the area of general
 2-17 pediatrics in a rural county;

2-18 (4) a representative from an accredited Texas medical
 2-19 school;

2-20 (5) a program director from an accredited primary care
 2-21 residency program;

2-22 (6) a representative from the Texas Higher Education
 2-23 Coordinating Board; and

2-24 (7) a representative from the Texas State Board of
 2-25 Medical Examiners.

2-26 (b) The advisory committee shall assist the office in
 2-27 administering the program.

2-28 SECTION 2. Section 487.051, Government Code, is amended to
 2-29 read as follows:

2-30 Sec. 487.051. POWERS AND DUTIES. The office shall:

2-31 (1) develop a rural policy for the state in
 2-32 consultation with local leaders representing all facets of rural
 2-33 community life, academic and industry experts, and state elected
 2-34 and appointed officials with interests in rural communities;

2-35 (2) work with other state agencies and officials to
 2-36 improve the results and the cost-effectiveness of state programs
 2-37 affecting rural communities through coordination of efforts;

2-38 (3) develop programs to improve the leadership
 2-39 capacity of rural community leaders;

2-40 (4) monitor developments that have a substantial
 2-41 effect on rural Texas communities, especially actions of state
 2-42 government, and compile an annual report describing and evaluating
 2-43 the condition of rural communities;

2-44 (5) administer the federal community development
 2-45 block grant nonentitlement program;

2-46 (6) administer programs supporting rural health care
 2-47 as provided by this chapter [~~Subchapters D-H~~];

2-48 (7) perform research to determine the most beneficial
 2-49 and cost-effective ways to improve the welfare of rural
 2-50 communities;

2-51 (8) ensure that the office qualifies as the state's
 2-52 office of rural health for the purpose of receiving grants from the
 2-53 Office of Rural Health Policy of the United States Department of
 2-54 Health and Human Services under 42 U.S.C. Section 254r; [~~and~~]

2-55 (9) manage the state's Medicare rural hospital
 2-56 flexibility program under 42 U.S.C. Section 1395i-4; and

2-57 (10) seek state and federal money available for
 2-58 economic development in rural areas for programs under this
 2-59 chapter.

2-60 SECTION 3. Section 106.026(b), Health and Safety Code, as
 2-61 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
 2-62 Regular Session, 2001, is redesignated as Section 487.056(b),
 2-63 Government Code, and Section 487.056, Government Code, is amended
 2-64 to read as follows:

2-65 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
 2-66 January 1 of each odd-numbered year, the office shall submit a
 2-67 biennial report to the legislature regarding the activities of the
 2-68 office, the activities of the Rural Foundation, and any findings
 2-69 and recommendations relating to rural issues.

(b) The office ~~[center]~~ shall obtain information from each county about indigent health care provided in the county and information from each university, medical school, rural community, or rural health care provider that has performed a study relating to rural health care during the biennium. The office ~~[center]~~ shall include the information obtained under this subsection in the office's ~~[center's]~~ report to the legislature.

SECTION 4. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 831, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter K, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER K ~~[H]~~. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS

Sec. 487.451 ~~[106.251]~~. DEFINITIONS. In this subchapter:

(1) "Health care professional" means:

- (A) an advanced nurse practitioner;
- (B) a dentist;
- (C) a dental hygienist;
- (D) a laboratory technician;
- (E) a licensed vocational nurse;
- (F) a licensed professional counselor;
- (G) a medical radiological technologist;
- (H) an occupational therapist;
- (I) a pharmacist;
- (J) a physical therapist;
- (K) a physician;
- (L) a physician assistant;
- (M) a psychologist;
- (N) a registered nurse;
- (O) a social worker;
- (P) a speech-language pathologist;
- (Q) a veterinarian;
- (R) a chiropractor; and
- (S) another appropriate health care professional

identified by the executive committee.

(2) "Program" means the community healthcare awareness and mentoring program for students established under this subchapter.

(3) "Underserved urban area" means an urban area of this state with a medically underserved population, as determined in accordance with criteria adopted by the board by rule, considering relevant demographic, geographic, and environmental factors.

Sec. 487.452 ~~[106.252]~~. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in collaboration with Area Health Education Center Programs, shall establish a community healthcare awareness and mentoring program for students to:

(1) identify high school students in rural and underserved urban areas who are interested in serving those areas as health care professionals;

(2) identify health care professionals in rural and underserved urban areas to act as positive role models, mentors, or reference resources for the interested high school students;

(3) introduce interested high school students to the spectrum of professional health care careers through activities such as health care camps and shadowing of health care professionals;

(4) encourage a continued interest in service as health care professionals in rural and underserved urban areas by providing mentors and community resources for students participating in training or educational programs to become health care professionals; and

(5) provide continuing community-based support for students during the period the students are attending training or educational programs to become health care professionals, including summer job opportunities and opportunities to mentor high school students in the community.

(b) In connection with the program, the office ~~[center]~~

shall establish and maintain an updated medical resource library that contains information relating to medical careers. The office ~~[center]~~ shall make the library available to school counselors, students, and parents of students.

Sec. 487.453 ~~[106.253]~~. ADMINISTRATION. (a) The office ~~[center]~~ shall administer or contract for the administration of the program.

(b) The office ~~[center]~~ may solicit and accept gifts, grants, donations, and contributions to support the program.

(c) The office ~~[center]~~ may administer the program in cooperation with other public and private entities.

(d) The office, in consultation with Area Health Education Center Programs, ~~[center]~~ shall coordinate the program with similar programs, including programs relating to workforce development, scholarships for education, and employment of students, that are administered by other agencies, such as the Texas Workforce Commission and local workforce development boards.

Sec. 487.454 ~~[106.254]~~. GRANTS; ELIGIBILITY. (a) Subject to available funds, the executive committee shall develop and implement, as a component of the program, a grant program to support employment opportunities in rural and underserved urban areas in this state for students participating in training or educational programs to become health care professionals.

(b) In awarding grants under the program, the executive committee shall give first priority to grants to training or educational programs that provide internships to students.

(c) To be eligible to receive a grant under the grant program, a person must:

(1) apply for the grant on a form adopted by the executive committee;

(2) be enrolled or intend to be enrolled in a training or educational program to become a health care professional;

(3) commit to practice or work, after licensure as a health care professional, for at least one year as a health care professional in a rural or underserved urban area in this state; and

(4) comply fully with any practice or requirements associated with any scholarship, loan, or other similar benefit received by the student.

(d) As a condition of receiving a grant under the program the student must agree to repay the amount of the grant, plus a penalty in an amount established by rule of the executive committee not to exceed two times the amount of the grant, if the student becomes licensed as a health care professional and fails to practice or work for at least one year as a health care professional in a rural or underserved urban area in this state.

SECTION 5. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 1112, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter L, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER L ~~[H]~~. RURAL PHYSICIAN RECRUITMENT PROGRAM

Sec. 487.501 ~~[106.251]~~. DEFINITIONS. In this subchapter:

(1) "Rural community" means a rural area as defined by the office ~~[center]~~.

(2) "Medical school" has the meaning assigned by Section 61.501, Education Code.

Sec. 487.502 ~~[106.252]~~. GIFTS AND GRANTS. The office ~~[center]~~ may accept gifts, grants, and donations to support the rural physician recruitment program.

Sec. 487.503 ~~[106.253]~~. RURAL PHYSICIAN RECRUITMENT PROGRAM. (a) The office ~~[center]~~ shall establish a process in consultation with the Texas Higher Education Coordinating Board for selecting ~~[a]~~ Texas medical schools ~~[school]~~ to recruit students from rural communities and encourage them to return to rural communities to practice medicine.

(b) The Texas medical schools ~~[school]~~ selected ~~[by the center]~~ shall:

(1) encourage high school and college students from rural communities to pursue a career in medicine;

(2) develop a screening process to identify rural

students most likely to pursue a career in medicine;

- (3) establish a rural medicine curriculum;
- (4) establish a mentoring program for rural students;
- (5) provide rural students with information about financial aid resources available for postsecondary education; and
- (6) establish a rural practice incentive program.

SECTION 6. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter M, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

(1) "Health professional" means a person other than a physician who holds a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to practice in a health care profession.

(2) "Medically underserved community" means a community that:

- (A) is located in a county with a population of 50,000 or less;
- (B) has been designated under state or federal law as:

- (i) a health professional shortage area; or
- (ii) a medically underserved area; or
- (C) has been designated as a medically underserved community by the office [~~center~~].

Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office [~~center~~] shall appoint an advisory panel to assist in the office's [~~center's~~] duties under this subchapter. The advisory panel must consist of at least:

- (1) one representative from the Texas Higher Education Coordinating Board;
- (2) one representative from the institutions of higher education having degree programs for the health professions participating in the programs under this subchapter;
- (3) one representative from a hospital in a medically underserved community;
- (4) one physician practicing in a medically underserved community;
- (5) one health professional, other than a physician, practicing in a medically underserved community; and
- (6) one public representative who resides in a medically underserved community.

Sec. 487.553 [~~106.303~~]. LOAN REIMBURSEMENT PROGRAM. The executive committee shall establish a program in the office [~~center~~] to assist communities in recruiting health professionals to practice in medically underserved communities by providing loan reimbursement for health professionals who serve in those communities.

Sec. 487.554 [~~106.304~~]. STIPEND PROGRAM. (a) The executive committee shall establish a program in the office [~~center~~] to assist communities in recruiting health professionals to practice in medically underserved communities by providing a stipend to health professionals who agree to serve in those communities.

(b) A stipend awarded under this section shall be paid in periodic installments.

(c) A health professional who participates in the program established under this section must establish an office and residency in the medically underserved area before receiving any portion of the stipend.

Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health professional may receive assistance under this subchapter only if the health professional signs a contract agreeing to provide health care services in a medically underserved community.

(b) A student in a degree program preparing to become a health professional may contract with the office [~~center~~] for the

loan reimbursement program under Section 487.553 [~~106.303~~] before obtaining the license required to become a health professional.

(c) The office [~~center~~] may contract with a health professional for part-time services under the stipend program established under Section 487.554 [~~106.304~~].

(d) A health professional who participates in any loan reimbursement program is not eligible for a stipend under Section 487.554 [~~106.304~~].

(e) A contract under this section must provide that a health professional who does not provide the required services to the community or provides those services for less than the required time is personally liable to the state for:

(1) the total amount of assistance the health professional received from the office [~~center~~] and the medically underserved community;

(2) interest on the amount under Subdivision (1) at a rate set by the executive committee;

(3) the state's reasonable expenses incurred in obtaining payment, including reasonable attorney's fees; and

(4) a penalty as established by the executive committee by rule to help ensure compliance with the contract.

(f) Amounts recovered under Subsection (e) shall be deposited in the permanent endowment fund for the rural communities health care investment program under Section 487.558 [~~106.308~~].

Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE [~~CENTER~~]. (a) The executive committee shall adopt rules necessary for the administration of this subchapter, including guidelines for:

(1) developing contracts under which loan reimbursement or stipend recipients provide services to qualifying communities;

(2) identifying the duties of the state, state agency, loan reimbursement or stipend recipient, and medically underserved community under the loan reimbursement or stipend contract;

(3) determining a rate of interest to be charged under Section 487.555(e)(2) [~~106.305(e)(2)~~];

(4) ensuring that a loan reimbursement or stipend recipient provides access to health services to participants in government-funded health benefits programs in qualifying communities;

(5) encouraging the use of telecommunications or telemedicine, as appropriate;

(6) prioritizing the provision of loan reimbursements and stipends to health professionals who are not eligible for any other state loan forgiveness, loan repayment, or stipend program;

(7) prioritizing the provision of loan reimbursements and stipends to health professionals who are graduates of health professional degree programs in this state;

(8) encouraging a medically underserved community served by a loan reimbursement or stipend recipient to contribute to the cost of the loan reimbursement or stipend when making a contribution is feasible; and

(9) requiring a medically underserved community served by a loan reimbursement or stipend recipient to assist the office [~~center~~] in contracting with the loan reimbursement or stipend recipient who will serve that community.

(b) The executive committee by rule may designate areas of the state as medically underserved communities.

(c) The executive committee shall make reasonable efforts to contract with health professionals from a variety of different health professions.

Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND TELEMEDICINE. A health professional who participates in a program under this subchapter may not use telecommunication technology, including telemedicine, as the sole or primary method of providing services and may not use telecommunication technology as a substitute for providing health care services in person. A health professional who participates in a program under this subchapter may use telecommunication technology only to supplement or enhance

the health care services provided by the health professional.

Sec. 487.558 ~~[106.308]~~. PERMANENT ENDOWMENT FUND. (a) The permanent endowment fund for the rural communities health care investment program is a special fund in the treasury outside the general revenue fund.

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund;

(3) the returns received from investment of money in the fund; and

(4) amounts recovered under Section 487.555(e) ~~[106.305(e)]~~.

Sec. 487.559 ~~[106.309]~~. ADMINISTRATION AND USE OF FUND. (a) The office ~~[center]~~ may administer the permanent endowment fund for the rural communities health care investment program. If the office ~~[center]~~ elects not to administer the fund, the comptroller shall administer the fund.

(b) The administrator of the fund shall invest the fund in a manner intended to preserve the purchasing power of the fund's assets and the fund's annual distributions. The administrator may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions the administrator considers appropriate, any kind of investment of the fund's assets that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

(c) The comptroller or the office ~~[center]~~ may solicit and accept gifts and grants to the fund.

(d) Annual distributions for the fund shall be determined by the investment and distribution policy adopted by the administrator of the fund for the fund's assets.

(e) Except as provided by Subsection (f), money in the fund may not be used for any purpose.

(f) The amount available for distribution from the fund, including any gift or grant, may be appropriated only for providing stipends and loan reimbursement under the programs authorized by this subchapter and to pay the expenses of managing the fund. The expenditure of a gift or grant is subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

(g) Sections 403.095 and 404.071, Government Code, do not apply to the fund. Section 404.094(d), Government Code, applies to the fund.

Sec. 487.560 ~~[106.310]~~. REPORTING REQUIREMENT. The office ~~[center]~~ shall provide a report on the permanent endowment fund for the rural communities health care investment program to the Legislative Budget Board not later than November 1 of each year. The report must include the total amount of money the office ~~[center]~~ received from the fund, the purpose for which the money was used, and any additional information that may be requested by the Legislative Budget Board.

SECTION 7. Section 38.011(j), Education Code, as added by Section 1, Chapter 1418, Acts of the 76th Legislature, Regular Session, 1999, as amended by Section 4, Chapter 1424, Acts of the 77th Legislature, Regular Session, 2001, and as amended and redesignated as Section 38.060(a), Education Code, by Section 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is reenacted to read as follows:

(a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or

(2) has been designated under state or federal law as:

(A) a health professional shortage area;

(B) a medically underserved area; or

(C) a medically underserved community by the

Office of Rural Community Affairs.

SECTION 8. Section 61.0899, Education Code, is amended to read as follows:

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in cooperation with the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] and the office's [~~center's~~] advisory panel established under Section 487.552 [~~106.302~~], Government [~~Health and Safety~~] Code, ensure that the board seeks to obtain the maximum amount of funds from any source, including federal funds, to support programs to provide student loan reimbursement or stipends for graduates of degree programs in this state who practice or agree to practice in a medically underserved community.

SECTION 9. Section 110.001, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall establish the Rural Foundation as a nonprofit corporation that complies with the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as otherwise provided by this chapter, and qualifies as an organization exempt from federal income tax under Section 501(c)(3), Internal Revenue Code of 1986, as amended.

(b) The Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall ensure that the Rural Foundation operates independently of any state agency or political subdivision of the state.

SECTION 10. Section 110.002(c), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(c) The Rural Foundation shall develop and implement policies and procedures that clearly separate the responsibilities and activities of the foundation from the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~].

SECTION 11. Section 110.003(a), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(a) The Rural Foundation is governed by a board of five directors appointed by the executive committee of the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] from individuals recommended by the executive director of the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~].

SECTION 12. Section 110.004(b), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(b) A person may not be a member of the board of directors of the Rural Foundation and may not be a foundation employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended, if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association that is in the field of health care or that contracts with the foundation; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association that is in the field of health care or that contracts with the foundation.

SECTION 13. Section 110.005(c), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(c) If the executive director of the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] has knowledge that a potential ground for removal exists, the executive director shall notify the presiding officer of the board of directors of the Rural Foundation of the potential ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the

potential ground for removal involves the presiding officer, the executive director shall notify the next highest ranking officer of the board of directors, who shall then notify the governor and the attorney general that a potential ground for removal exists.

SECTION 14. Section 110.010, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural Foundation and the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall enter into a memorandum of understanding that:

(1) requires the board of directors and staff of the foundation to report to the executive director and executive committee of the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~];

(2) allows the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] to provide staff functions to the foundation;

(3) allows the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] to expend funds on the foundation; and

(4) outlines the financial contributions to be made to the foundation from funds obtained from grants and other sources.

SECTION 15. Section 110.011(a), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(a) The Rural Foundation shall maintain financial records and reports independently from those of the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~].

SECTION 16. Section 110.012, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the 60th day after the last day of the fiscal year, the Rural Foundation shall submit to the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] a report itemizing all income and expenditures and describing all activities of the foundation during the preceding fiscal year.

SECTION 17. Section 155.1025(a), Occupations Code, is amended to read as follows:

(a) The board shall adopt rules for expediting any application for a license under this subtitle made by a person who is licensed to practice medicine in another state or country and who submits an affidavit with the application stating that:

(1) the applicant intends to practice in a rural community, as determined by the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~]; or

(2) the applicant intends to:

(A) accept employment with an entity located in a medically underserved area or health professional shortage area, designated by the United States Department of Health and Human Services, and affiliated with or participating in a public university-sponsored graduate medical education program;

(B) serve on the faculty of the public university-sponsored graduate medical education program; and

(C) engage in the practice of medicine and teaching in a specialty field of medicine that is necessary to obtain or maintain the accreditation of the public university-sponsored graduate medical education program by the Accreditation Council for Graduate Medical Education.

SECTION 18. Section 531.02172, Government Code, as amended by Chapters 661 and 959, Acts of the 77th Legislature, Regular Session, 2001, is reenacted and amended to read as follows:

Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The commissioner shall establish an advisory committee to assist the commission in:

(1) evaluating policies for telemedical consultations under Section 531.0217;

(2) evaluating policies for telemedicine medical services or telehealth services pilot programs established under Section 531.02171;

(3) ensuring the efficient and consistent development and use of telecommunication technology for telemedical consultations and telemedicine medical services or telehealth services reimbursed under government-funded health programs;

(4) monitoring the type of programs receiving reimbursement under Sections 531.0217 and 531.02171; and

(5) coordinating the activities of state agencies concerned with the use of telemedical consultations and telemedicine medical services or telehealth services.

(b) The advisory committee must include:

(1) representatives of health and human services agencies and other state agencies concerned with the use of telemedical consultations in the Medicaid program and the state child health plan program, including representatives of:

(A) the commission;

(B) the Texas Department of Health;

(C) the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~];

(D) the Telecommunications Infrastructure Fund Board;

(E) the Texas Department of Insurance;

(F) the Texas State Board of Medical Examiners;

(G) the Board of Nurse Examiners; and

(H) the Texas State Board of Pharmacy;

(2) representatives of health science centers in this state;

(3) experts on telemedicine, telemedical consultation, and telemedicine medical services or telehealth services; and

(4) representatives of consumers of health services provided through telemedical consultations and telemedicine medical services or telehealth services.

(c) A member of the advisory committee serves at the will of the commissioner.

SECTION 19. The following provisions are repealed:

(1) Section 106.025(a), Health and Safety Code, as amended by Section 1, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001;

(2) Section 106.029, Health and Safety Code, as added by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular Session, 2001; and

(3) Section 106.043(b), Health and Safety Code, as amended by Section 10, Chapter 874, Acts of the 77th Legislature, Regular Session, 2001.

SECTION 20. This Act takes effect September 1, 2003.

* * * * *

FAVORABLE
SENATE COMMITTEE REPORT ON

SB SCR SJR SR HB HCR HJR 1877

By Madla
(Author/Senate Sponsor)
5/16/03
(date)

Sir:

We, your Committee on INTERGOVERNMENTAL RELATIONS, to which was referred the attached measure, have on 5/16/03, had the same under consideration and I am instructed to report it back with the recommendation (s) that it:

- ☒ do pass and be printed
☐ do pass and be ordered not printed
☒ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Senator Frank Madla, Chairman	<input checked="" type="checkbox"/>			
Senator Kim Brimer, Vice-Chairman	<input checked="" type="checkbox"/>			
Senator Bob Deuell	<input checked="" type="checkbox"/>			
Senator Mario Gallegos			<input checked="" type="checkbox"/>	
Senator Jeff Wentworth				
TOTAL VOTES	4	0	1	0

COMMITTEE ACTION

S260 Considered in public hearing
S270 Testimony taken

William Stephens
COMMITTEE CLERK

Frank Madla
CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill
Retain one copy of this form for Committee files

BILL ANALYSIS

Senate Research Center

H.B. 1877
By: Hardcastle (Madla)
Intergovernmental Relations
5/9/2003
Engrossed

DIGEST AND PURPOSE

Currently, studies show that physicians in rural areas are unable to take time away from their practices because of the lack of other physicians to provide coverage in their absence. Additionally, studies indicate that rural physicians work longer hours, see more patients, treat a higher percentage of indigent care patients, and receive less compensation than do their urban colleagues. H.B. 1877 requires the Office of Rural and Community Affairs to instigate a state-supported rural physician relief program to help rural areas retain physicians.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 487, Government Code, by adding Subchapter N, as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. Defines "physician," "relief services," and "rural."

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. Requires the Office of Rural and Community Affairs (ORCA) to create a program to provide affordable relief services to rural physicians practicing in the fields of general family medicine, general internal medicine, and general pediatrics to facilitate the ability of those physicians to take time away from their practice.

Sec. 487.603. FEES. (a) Requires ORCA to charge a fee for rural physicians to participate in the program.

(b) Requires the fees collected under this section to be deposited in a special account in the general revenue fund that may be appropriated only to ORCA for administration of this subchapter.

Sec. 487.604. FUNDING. Authorizes ORCA to solicit and accept gifts, grants, donations, and contributions to support the program.

Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. Requires ORCA to pay a physician providing relief under the program using fees collected by the center.

Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS. (a) Requires ORCA to assign physicians to provide relief to a rural area in accordance with certain priorities.

(b) Requires ORCA, in determining where to assign relief physicians, to consider the number of physicians in the area available to provide relief services and the distance in that area to the nearest physician who practices in the same speciality.

(c) Authorizes residency program directors, at the request of ORCA, to assist

ORCA in coordinating the assignment of relief physicians.

Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. Requires ORCA to actively recruit physicians to participate in the program as relief physicians. Requires ORCA to concentrate on recruiting physicians involved in an accredited residency program in general pediatrics, general internal medicine, and general family medicine, physicians registered on ORCA's locum tenens registry, physicians employed at a medical school, and physicians working for private locum tenens groups.

Sec. 487.608. ADVISORY COMMITTEE. (a) Provides that the rural physician relief advisory committee is composed of certain members appointed by the executive committee.

(b) Requires the advisory committee to assist ORCA in administering the program.

SECTION 2. Amends Section 487.051, Government Code, to require ORCA to seek state and federal money available for economic development in rural areas for programs under this chapter. Makes a conforming change.

SECTION 3. Amends Section 106.026(b), Health and Safety Code, as added by Section 2, Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, by redesignating it as Section 487.056(b), Government Code, and amending it, as follows:

Sec. 487.056. (a) Created from existing text. Adds new language relating to a report on the activities of the Rural Foundation.

(b) Replaces "center" with "office" in existing text. Makes conforming changes.

SECTION 4. Amends Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 831, Acts of the 77th Legislature, Regular Session, 2001 by redesignating it as Subchapter K, Chapter 487, Government Code, and amending it, as follows:

Redesignates SUBCHAPTER H as SUBCHAPTER K.

Redesignates Sections 106.251 through 106.254 as Sections 487.451 through 487.454.

Sec. 487.452. Requires the executive committee, in collaboration with Area Health Education Center Programs, to establish a community healthcare awareness and mentoring program for students to identify certain information.

SECTION 5. Amends Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 1112, Acts of the 77th Legislature, Regular Session, 2001, by redesignating it as Subchapter L, Chapter 487, Government Code, and amending it, as follows:

Redesignates SUBCHAPTER H as SUBCHAPTER L.

Redesignates Sections 106.251 through 106.253 as Sections 487.501 through 487.503. Makes conforming changes.

SECTION 6. Amends Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, by redesignating it as Subchapter M, Chapter 487, Government Code, and amending it, as follows:

Redesignates SUBCHAPTER H as SUBCHAPTER M.

Redesignates Sections 106.301 through 106.310 as Sections 487.551 through 487.560. Makes conforming changes.

SECTION 7. Amends and reenacts Section 38.011(j), Education Code, as added by Section 1, Chapter 1418, Acts of the 76th Legislature, Regular Session, 1999, as amended by Section 4, Chapter 1424, Acts of the 77th Legislature, Regular Session, 2001, and as amended and redesignated as Section 38.060(a), Education Code, by Section 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, to provide that this section applies only to a school-based health care center serving a certain area.

SECTION 8. Amends Section 61.0899, Education Code, to replace the "Center for Rural Health Initiatives" with the "Office of Rural Community Affairs." Makes conforming changes.

SECTION 9. Amends Section 110.001, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make conforming changes.

SECTION 10. Amends Section 110.002(c), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 11. Amends Section 110.003(a), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 12. Amends Section 110.004(b), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to add to the provisions governing the board of directors of the Rural Foundation the prohibition that a person formally affiliated with a Texas trade association that contracts with the foundation may not be a board member or employee of the foundation. Makes conforming changes.

SECTION 13. Amends Section 110.005(c), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 14. Amends Section 110.010, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make conforming changes.

SECTION 15. Amends Section 110.011(a), Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 16. Amends Section 110.012, Health and Safety Code, as added by Chapter 1221, Acts of the 77th Legislature, Regular Session, 2001, to make conforming changes.

SECTION 17. Amends Section 155.1025(a), Occupations Code, to make a conforming change.

SECTION 18. Reenacts Section 531.02172, Government Code, as added by Chapters 661 and 959, Acts of the 77th Legislature, Regular Session, 2001, and amends it to make a conforming change.

SECTION 19. Repealer:

- (1) Section 106.025(a), Health and Safety Code (Duties and Powers);
- (2) Section 106.029, Health and Safety Code (Designating Rural Hospitals); and
- (3) Section 106.043(b), Health and Safety Code (Advisory Committee).

SECTION 20. Effective date: September 1, 2003.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 7, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), As
Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB1877, As Engrossed: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>New General Revenue Dedicated - Rural Physician Relief</i>	Probable (Cost) from <i>New General Revenue Dedicated - Rural Physician Relief</i>
2004	\$2,407,970	(\$2,407,970)
2005	\$2,407,970	(\$2,407,970)
2006	\$2,407,970	(\$2,407,970)
2007	\$2,407,970	(\$2,407,970)
2008	\$2,407,970	(\$2,407,970)

Fiscal Analysis

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas from fees charged to physicians participating in the program. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created General Revenue Dedicated - Rural Physician Relief account. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

Methodology

The Office of Rural Community Affairs (ORCA) estimates that there would be 798 physicians participating in the program and each would require 24 hours of relief services at \$85 per hour. ORCA

also estimates that each of the 798 physicians would be charged \$125 per day of over-time for three days and \$200 per day for three days for other costs.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in the bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2003.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, JO, DLBa, RT, DE

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 9, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1877, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from New General Revenue Dedicated - Rural Physician Relief	Probable (Cost) from New General Revenue Dedicated - Rural Physician Relief
2004	\$2,407,970	(\$2,407,970)
2005	\$2,407,970	(\$2,407,970)
2006	\$2,407,970	(\$2,407,970)
2007	\$2,407,970	(\$2,407,970)
2008	\$2,407,970	(\$2,407,970)

Fiscal Analysis

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas from fees charged to physicians participating in the program. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created General Revenue Dedicated - Rural Physician Relief account. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

Methodology

The Office of Rural Community Affairs (ORCA) estimates that there would be 798 physicians participating in the program and each would require 24 hours of relief services at \$85 per hour. ORCA

also estimates that each of the 798 physicians would be charged \$125 per day of over-time for three days and \$200 per day for three days for other costs.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in the bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2003.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs
LBB Staff: JK, EB, JO, DLBa, RT, DE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

TO: Honorable Jaime Capelo, Chair, House Committee on Public Health

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1877 by Hardcastle (Relating to creating the rural physician relief program.), As
Introduced

No significant fiscal implication to the State is anticipated.

The bill would establish a Rural Physician Relief Program under the Office of Rural Community Affairs (ORCA) and would pay physicians providing relief in rural areas using collected fees. ORCA would charge a fee for physicians participating in the program and deposit the proceeds in the newly created GR Account-Rural Physician Relief. The new account, which would consist of fee receipts as well as gifts, grants, donations, and contributions, could be appropriated only for program expenses.

It is assumed ORCA could perform the duties and responsibilities associated with implementing the provisions of the bill by utilizing existing resources.

The bill would take effect September 1, 2003.

The bill would create a dedicated account in the General Revenue Fund. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The account dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JK, EB, RT, DE, KG

REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

SENATOR CHRIS HARRIS, CHAIRMAN
SENATE COMMITTEE ON ADMINISTRATION

Notice is hereby given that HB 1887, by Madla,
(Bill No.) (Author/Sponsor)
was heard by the Committee on 16K on 5/16, 2003,
and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.



(Clerk of the reporting committee)

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A COMMITTEE PRINTED VERSION OF THE BILL OR RESOLUTION AND SHOULD BE DELIVERED TO THE ADMINISTRATION COMMITTEE OFFICE, E1.714. DEADLINES FOR SUBMITTING BILLS AND RESOLUTIONS WILL BE ANNOUNCED ON A REGULAR BASIS.

ENROLLED

F

H.B. No. 1877

AN ACT

relating to creating the rural physician relief program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 487, Government Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. RURAL PHYSICIAN RELIEF PROGRAM

Sec. 487.601. DEFINITIONS. In this subchapter:

(1) "Physician" means a person licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code.

(2) "Relief services" means the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return.

(3) "Rural" means:

(A) a community located in a county with a population not greater than 50,000;

(B) an area designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) a medically underserved community designated by the office.

Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The office shall create a program to provide affordable relief services to

1 rural physicians practicing in the fields of general family
2 medicine, general internal medicine, and general pediatrics to
3 facilitate the ability of those physicians to take time away from
4 their practice.

5 Sec. 487.603. FEES. (a) The office shall charge a fee for
6 rural physicians to participate in the program.

7 (b) The fees collected under this section shall be deposited
8 in a special account in the general revenue fund that may be
9 appropriated only to the office for administration of this
10 subchapter.

11 Sec. 487.604. FUNDING. The office may solicit and accept
12 gifts, grants, donations, and contributions to support the program.

13 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The office
14 shall pay a physician providing relief under the program using fees
15 collected by the center.

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.
17 (a) The office shall assign physicians to provide relief to a rural
18 area in accordance with the following priorities:

19 (1) solo practitioners;

20 (2) counties that have fewer than seven residents per
21 square mile;

22 (3) counties that have been designated under federal
23 law as a health professional shortage area;

24 (4) counties that do not have a hospital; and

25 (5) counties that have a hospital but do not have a
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 office shall consider the number of physicians in the area
2 available to provide relief services and the distance in that area
3 to the nearest physician who practices in the same specialty.

4 (c) At the request of the office, residency program
5 directors may assist the office in coordinating the assignment of
6 relief physicians.

7 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The office
8 shall actively recruit physicians to participate in the program as
9 relief physicians. The office shall concentrate on recruiting
10 physicians involved in an accredited residency program in general
11 pediatrics, general internal medicine, and general family
12 medicine, physicians registered on the office's locum tenens
13 registry, physicians employed at a medical school, and physicians
14 working for private locum tenens groups.

15 Sec. 487.608. ADVISORY COMMITTEE. (a) The rural physician
16 relief advisory committee is composed of the following members
17 appointed by the executive committee:

18 (1) a physician who practices in the area of general
19 family medicine in a rural county;

20 (2) a physician who practices in the area of general
21 internal medicine in a rural county;

22 (3) a physician who practices in the area of general
23 pediatrics in a rural county;

24 (4) a representative from an accredited Texas medical
25 school;

26 (5) a program director from an accredited primary care
27 residency program;

1 (6) a representative from the Texas Higher Education
2 Coordinating Board; and

3 (7) a representative from the Texas State Board of
4 Medical Examiners.

5 (b) The advisory committee shall assist the office in
6 administering the program.

7 SECTION 2. Section 487.051, Government Code, is amended to
8 read as follows:

9 Sec. 487.051. POWERS AND DUTIES. The office shall:

10 (1) develop a rural policy for the state in
11 consultation with local leaders representing all facets of rural
12 community life, academic and industry experts, and state elected
13 and appointed officials with interests in rural communities;

14 (2) work with other state agencies and officials to
15 improve the results and the cost-effectiveness of state programs
16 affecting rural communities through coordination of efforts;

17 (3) develop programs to improve the leadership
18 capacity of rural community leaders;

19 (4) monitor developments that have a substantial
20 effect on rural Texas communities, especially actions of state
21 government, and compile an annual report describing and evaluating
22 the condition of rural communities;

23 (5) administer the federal community development
24 block grant nonentitlement program;

25 (6) administer programs supporting rural health care
26 as provided by this chapter [~~Subchapters D-H~~];

27 (7) perform research to determine the most beneficial

1 and cost-effective ways to improve the welfare of rural
2 communities;

3 (8) ensure that the office qualifies as the state's
4 office of rural health for the purpose of receiving grants from the
5 Office of Rural Health Policy of the United States Department of
6 Health and Human Services under 42 U.S.C. Section 254r; ~~and~~

7 (9) manage the state's Medicare rural hospital
8 flexibility program under 42 U.S.C. Section 1395i-4; and

9 (10) seek state and federal money available for
10 economic development in rural areas for programs under this
11 chapter.

12 SECTION 3. Section 106.026(b), Health and Safety Code, as
13 added by Section 2, Chapter 1221, Acts of the 77th Legislature,
14 Regular Session, 2001, is redesignated as Section 487.056(b),
15 Government Code, and Section 487.056, Government Code, is amended
16 to read as follows:

17 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than
18 January 1 of each odd-numbered year, the office shall submit a
19 biennial report to the legislature regarding the activities of the
20 office, the activities of the Rural Foundation, and any findings
21 and recommendations relating to rural issues.

22 (b) The office ~~[center]~~ shall obtain information from each
23 county about indigent health care provided in the county and
24 information from each university, medical school, rural community,
25 or rural health care provider that has performed a study relating to
26 rural health care during the biennium. The office ~~[center]~~ shall
27 include the information obtained under this subsection in the

1 office's [~~center's~~] report to the legislature.

2 SECTION 4. Subchapter H, Chapter 106, Health and Safety
3 Code, as added by Section 1, Chapter 831, Acts of the 77th
4 Legislature, Regular Session, 2001, is redesignated as Subchapter
5 K, Chapter 487, Government Code, and amended to read as follows:

6 SUBCHAPTER K [~~H~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING
7 PROGRAM FOR STUDENTS

8 Sec. 487.451 [~~106.251~~]. DEFINITIONS. In this subchapter:

9 (1) "Health care professional" means:

- 10 (A) an advanced nurse practitioner;
- 11 (B) a dentist;
- 12 (C) a dental hygienist;
- 13 (D) a laboratory technician;
- 14 (E) a licensed vocational nurse;
- 15 (F) a licensed professional counselor;
- 16 (G) a medical radiological technologist;
- 17 (H) an occupational therapist;
- 18 (I) a pharmacist;
- 19 (J) a physical therapist;
- 20 (K) a physician;
- 21 (L) a physician assistant;
- 22 (M) a psychologist;
- 23 (N) a registered nurse;
- 24 (O) a social worker;
- 25 (P) a speech-language pathologist;
- 26 (Q) a veterinarian;
- 27 (R) a chiropractor; and

(S) another appropriate health care professional identified by the executive committee.

(2) "Program" means the community healthcare awareness and mentoring program for students established under this subchapter.

(3) "Underserved urban area" means an urban area of this state with a medically underserved population, as determined in accordance with criteria adopted by the board by rule, considering relevant demographic, geographic, and environmental factors.

Sec. 487.452 [~~106.252~~]. COMMUNITY HEALTHCARE AWARENESS AND MENTORING PROGRAM FOR STUDENTS. (a) The executive committee, in collaboration with Area Health Education Center Programs, shall establish a community healthcare awareness and mentoring program for students to:

(1) identify high school students in rural and underserved urban areas who are interested in serving those areas as health care professionals;

(2) identify health care professionals in rural and underserved urban areas to act as positive role models, mentors, or reference resources for the interested high school students;

(3) introduce interested high school students to the spectrum of professional health care careers through activities such as health care camps and shadowing of health care professionals;

(4) encourage a continued interest in service as health care professionals in rural and underserved urban areas by

1 providing mentors and community resources for students
2 participating in training or educational programs to become health
3 care professionals; and

4 (5) provide continuing community-based support for
5 students during the period the students are attending training or
6 educational programs to become health care professionals,
7 including summer job opportunities and opportunities to mentor high
8 school students in the community.

9 (b) In connection with the program, the office [~~center~~]
10 shall establish and maintain an updated medical resource library
11 that contains information relating to medical careers. The office
12 [~~center~~] shall make the library available to school counselors,
13 students, and parents of students.

14 Sec. 487.453 [~~106.253~~]. ADMINISTRATION. (a) The office
15 [~~center~~] shall administer or contract for the administration of the
16 program.

17 (b) The office [~~center~~] may solicit and accept gifts,
18 grants, donations, and contributions to support the program.

19 (c) The office [~~center~~] may administer the program in
20 cooperation with other public and private entities.

21 (d) The office, in consultation with Area Health Education
22 Center Programs, [~~center~~] shall coordinate the program with similar
23 programs, including programs relating to workforce development,
24 scholarships for education, and employment of students, that are
25 administered by other agencies, such as the Texas Workforce
26 Commission and local workforce development boards.

27 Sec. 487.454 [~~106.254~~]. GRANTS; ELIGIBILITY. (a) Subject

1 to available funds, the executive committee shall develop and
2 implement, as a component of the program, a grant program to support
3 employment opportunities in rural and underserved urban areas in
4 this state for students participating in training or educational
5 programs to become health care professionals.

6 (b) In awarding grants under the program, the executive
7 committee shall give first priority to grants to training or
8 educational programs that provide internships to students.

9 (c) To be eligible to receive a grant under the grant
10 program, a person must:

11 (1) apply for the grant on a form adopted by the
12 executive committee;

13 (2) be enrolled or intend to be enrolled in a training
14 or educational program to become a health care professional;

15 (3) commit to practice or work, after licensure as a
16 health care professional, for at least one year as a health care
17 professional in a rural or underserved urban area in this state; and

18 (4) comply fully with any practice or requirements
19 associated with any scholarship, loan, or other similar benefit
20 received by the student.

21 (d) As a condition of receiving a grant under the program
22 the student must agree to repay the amount of the grant, plus a
23 penalty in an amount established by rule of the executive committee
24 not to exceed two times the amount of the grant, if the student
25 becomes licensed as a health care professional and fails to
26 practice or work for at least one year as a health care professional
27 in a rural or underserved urban area in this state.

SECTION 5. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 1, Chapter 1112, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter L, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER L [~~H~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM

Sec. 487.501 [~~106.251~~]. DEFINITIONS. In this subchapter:

(1) "Rural community" means a rural area as defined by the office [~~center~~].

(2) "Medical school" has the meaning assigned by Section 61.501, Education Code.

Sec. 487.502 [~~106.252~~]. GIFTS AND GRANTS. The office [~~center~~] may accept gifts, grants, and donations to support the rural physician recruitment program.

Sec. 487.503 [~~106.253~~]. RURAL PHYSICIAN RECRUITMENT PROGRAM. (a) The office [~~center~~] shall establish a process in consultation with the Texas Higher Education Coordinating Board for selecting [~~a~~] Texas medical schools [~~school~~] to recruit students from rural communities and encourage them to return to rural communities to practice medicine.

(b) The Texas medical schools [~~school~~] selected [~~by the center~~] shall:

(1) encourage high school and college students from rural communities to pursue a career in medicine;

(2) develop a screening process to identify rural students most likely to pursue a career in medicine;

(3) establish a rural medicine curriculum;

(4) establish a mentoring program for rural students;

- (5) provide rural students with information about financial aid resources available for postsecondary education; and
- (6) establish a rural practice incentive program.

SECTION 6. Subchapter H, Chapter 106, Health and Safety Code, as added by Section 2, Chapter 435, Acts of the 77th Legislature, Regular Session, 2001, is redesignated as Subchapter M, Chapter 487, Government Code, and amended to read as follows:

SUBCHAPTER M [~~H~~]. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM

Sec. 487.551 [~~106.301~~]. DEFINITIONS. In this subchapter:

(1) "Health professional" means a person other than a physician who holds a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to practice in a health care profession.

(2) "Medically underserved community" means a community that:

(A) is located in a county with a population of 50,000 or less;

(B) has been designated under state or federal law as:

(i) a health professional shortage area; or

(ii) a medically underserved area; or

(C) has been designated as a medically underserved community by the office [~~center~~].

Sec. 487.552 [~~106.302~~]. ADVISORY PANEL. The office [~~center~~] shall appoint an advisory panel to assist in the office's

1 [~~center's~~] duties under this subchapter. The advisory panel must
2 consist of at least:

3 (1) one representative from the Texas Higher Education
4 Coordinating Board;

5 (2) one representative from the institutions of higher
6 education having degree programs for the health professions
7 participating in the programs under this subchapter;

8 (3) one representative from a hospital in a medically
9 underserved community;

10 (4) one physician practicing in a medically
11 underserved community;

12 (5) one health professional, other than a physician,
13 practicing in a medically underserved community; and

14 (6) one public representative who resides in a
15 medically underserved community.

16 Sec. 487.553 [~~106.303~~]. LOAN REIMBURSEMENT PROGRAM. The
17 executive committee shall establish a program in the office
18 [~~center~~] to assist communities in recruiting health professionals
19 to practice in medically underserved communities by providing loan
20 reimbursement for health professionals who serve in those
21 communities.

22 Sec. 487.554 [~~106.304~~]. STIPEND PROGRAM. (a) The
23 executive committee shall establish a program in the office
24 [~~center~~] to assist communities in recruiting health professionals
25 to practice in medically underserved communities by providing a
26 stipend to health professionals who agree to serve in those
27 communities.

1 (b) A stipend awarded under this section shall be paid in
2 periodic installments.

3 (c) A health professional who participates in the program
4 established under this section must establish an office and
5 residency in the medically underserved area before receiving any
6 portion of the stipend.

7 Sec. 487.555 [~~106.305~~]. CONTRACT REQUIRED. (a) A health
8 professional may receive assistance under this subchapter only if
9 the health professional signs a contract agreeing to provide health
10 care services in a medically underserved community.

11 (b) A student in a degree program preparing to become a
12 health professional may contract with the office [~~center~~] for the
13 loan reimbursement program under Section 487.553 [~~106.303~~] before
14 obtaining the license required to become a health professional.

15 (c) The office [~~center~~] may contract with a health
16 professional for part-time services under the stipend program
17 established under Section 487.554 [~~106.304~~].

18 (d) A health professional who participates in any loan
19 reimbursement program is not eligible for a stipend under Section
20 487.554 [~~106.304~~].

21 (e) A contract under this section must provide that a health
22 professional who does not provide the required services to the
23 community or provides those services for less than the required
24 time is personally liable to the state for:

25 (1) the total amount of assistance the health
26 professional received from the office [~~center~~] and the medically
27 underserved community;

1 (2) interest on the amount under Subdivision (1) at a
2 rate set by the executive committee;

3 (3) the state's reasonable expenses incurred in
4 obtaining payment, including reasonable attorney's fees; and

5 (4) a penalty as established by the executive
6 committee by rule to help ensure compliance with the contract.

7 (f) Amounts recovered under Subsection (e) shall be
8 deposited in the permanent endowment fund for the rural communities
9 health care investment program under Section 487.558 [~~106.308~~].

10 Sec. 487.556 [~~106.306~~]. POWERS AND DUTIES OF OFFICE
11 [~~CENTER~~]. (a) The executive committee shall adopt rules necessary
12 for the administration of this subchapter, including guidelines
13 for:

14 (1) developing contracts under which loan
15 reimbursement or stipend recipients provide services to qualifying
16 communities;

17 (2) identifying the duties of the state, state agency,
18 loan reimbursement or stipend recipient, and medically underserved
19 community under the loan reimbursement or stipend contract;

20 (3) determining a rate of interest to be charged under
21 Section 487.555(e)(2) [~~106.305(e)(2)~~];

22 (4) ensuring that a loan reimbursement or stipend
23 recipient provides access to health services to participants in
24 government-funded health benefits programs in qualifying
25 communities;

26 (5) encouraging the use of telecommunications or
27 telemedicine, as appropriate;

1 (6) prioritizing the provision of loan reimbursements
2 and stipends to health professionals who are not eligible for any
3 other state loan forgiveness, loan repayment, or stipend program;

4 (7) prioritizing the provision of loan reimbursements
5 and stipends to health professionals who are graduates of health
6 professional degree programs in this state;

7 (8) encouraging a medically underserved community
8 served by a loan reimbursement or stipend recipient to contribute
9 to the cost of the loan reimbursement or stipend when making a
10 contribution is feasible; and

11 (9) requiring a medically underserved community
12 served by a loan reimbursement or stipend recipient to assist the
13 office [~~center~~] in contracting with the loan reimbursement or
14 stipend recipient who will serve that community.

15 (b) The executive committee by rule may designate areas of
16 the state as medically underserved communities.

17 (c) The executive committee shall make reasonable efforts
18 to contract with health professionals from a variety of different
19 health professions.

20 Sec. 487.557 [~~106.307~~]. USE OF TELECOMMUNICATION AND
21 TELEMEDICINE. A health professional who participates in a program
22 under this subchapter may not use telecommunication technology,
23 including telemedicine, as the sole or primary method of providing
24 services and may not use telecommunication technology as a
25 substitute for providing health care services in person. A health
26 professional who participates in a program under this subchapter
27 may use telecommunication technology only to supplement or enhance

1 the health care services provided by the health professional.

2 Sec. 487.558 [~~106.308~~]. PERMANENT ENDOWMENT FUND. (a) The
3 permanent endowment fund for the rural communities health care
4 investment program is a special fund in the treasury outside the
5 general revenue fund.

6 (b) The fund is composed of:

7 (1) money transferred to the fund at the direction of
8 the legislature;

9 (2) gifts and grants contributed to the fund;

10 (3) the returns received from investment of money in
11 the fund; and

12 (4) amounts recovered under Section 487.555(e)
13 [~~106.305(e)~~].

14 Sec. 487.559 [~~106.309~~]. ADMINISTRATION AND USE OF FUND.

15 (a) The office [~~center~~] may administer the permanent endowment
16 fund for the rural communities health care investment program. If
17 the office [~~center~~] elects not to administer the fund, the
18 comptroller shall administer the fund.

19 (b) The administrator of the fund shall invest the fund in a
20 manner intended to preserve the purchasing power of the fund's
21 assets and the fund's annual distributions. The administrator may
22 acquire, exchange, sell, supervise, manage, or retain, through
23 procedures and subject to restrictions the administrator considers
24 appropriate, any kind of investment of the fund's assets that
25 prudent investors, exercising reasonable care, skill, and caution,
26 would acquire or retain in light of the purposes, terms,
27 distribution requirements, and other circumstances of the fund then

1 prevailing, taking into consideration the investment of all the
2 assets of the fund rather than a single investment.

3 (c) The comptroller or the office [~~center~~] may solicit and
4 accept gifts and grants to the fund.

5 (d) Annual distributions for the fund shall be determined by
6 the investment and distribution policy adopted by the administrator
7 of the fund for the fund's assets.

8 (e) Except as provided by Subsection (f), money in the fund
9 may not be used for any purpose.

10 (f) The amount available for distribution from the fund,
11 including any gift or grant, may be appropriated only for providing
12 stipends and loan reimbursement under the programs authorized by
13 this subchapter and to pay the expenses of managing the fund. The
14 expenditure of a gift or grant is subject to any limitation or
15 requirement placed on the gift or grant by the donor or granting
16 entity.

17 (g) Sections 403.095 and 404.071, Government Code, do not
18 apply to the fund. Section 404.094(d), Government Code, applies to
19 the fund.

20 Sec. 487.560 [~~106.310~~]. REPORTING REQUIREMENT. The office
21 [~~center~~] shall provide a report on the permanent endowment fund for
22 the rural communities health care investment program to the
23 Legislative Budget Board not later than November 1 of each year. The
24 report must include the total amount of money the office [~~center~~]
25 received from the fund, the purpose for which the money was used,
26 and any additional information that may be requested by the
27 Legislative Budget Board.

SECTION 7. Section 38.011(j), Education Code, as added by Section 1, Chapter 1418, Acts of the 76th Legislature, Regular Session, 1999, as amended by Section 4, Chapter 1424, Acts of the 77th Legislature, Regular Session, 2001, and as amended and redesignated as Section 38.060(a), Education Code, by Section 4.005, Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is reenacted to read as follows:

(a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or

(2) has been designated under state or federal law as:

(A) a health professional shortage area;

(B) a medically underserved area; or

(C) a medically underserved community by the Office of Rural Community Affairs.

SECTION 8. Section 61.0899, Education Code, is amended to read as follows:

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in cooperation with the Office of Rural Community Affairs [~~Center for Rural Health Initiatives~~] and the office's [~~center's~~] advisory panel established under Section 487.552 [~~106.302~~], Government [~~Health and Safety~~] Code, ensure that the board seeks to obtain the maximum amount of funds from any source, including federal funds, to support programs to provide student loan reimbursement or stipends for graduates of degree programs in this state who

1 practice or agree to practice in a medically underserved community.

2 SECTION 9. Section 110.001, Health and Safety Code, as
3 added by Chapter 1221, Acts of the 77th Legislature, Regular
4 Session, 2001, is amended to read as follows:

5 Sec. 110.001. CREATION OF FOUNDATION. (a) The Office of
6 Rural Community Affairs [~~Center for Rural Health Initiatives~~] shall
7 establish the Rural Foundation as a nonprofit corporation that
8 complies with the Texas Non-Profit Corporation Act (Article
9 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as
10 otherwise provided by this chapter, and qualifies as an
11 organization exempt from federal income tax under Section
12 501(c)(3), Internal Revenue Code of 1986, as amended.

13 (b) The Office of Rural Community Affairs [~~Center for Rural~~
14 ~~Health Initiatives~~] shall ensure that the Rural Foundation operates
15 independently of any state agency or political subdivision of the
16 state.

17 SECTION 10. Section 110.002(c), Health and Safety Code, as
18 added by Chapter 1221, Acts of the 77th Legislature, Regular
19 Session, 2001, is amended to read as follows:

20 (c) The Rural Foundation shall develop and implement
21 policies and procedures that clearly separate the responsibilities
22 and activities of the foundation from the Office of Rural Community
23 Affairs [~~Center for Rural Health Initiatives~~].

24 SECTION 11. Section 110.003(a), Health and Safety Code, as
25 added by Chapter 1221, Acts of the 77th Legislature, Regular
26 Session, 2001, is amended to read as follows:

27 (a) The Rural Foundation is governed by a board of five

1 directors appointed by the executive committee of the Office of
2 Rural Community Affairs [~~Center for Rural Health Initiatives~~] from
3 individuals recommended by the executive director of the Office of
4 Rural Community Affairs [~~Center for Rural Health Initiatives~~].

5 SECTION 12. Section 110.004(b), Health and Safety Code, as
6 added by Chapter 1221, Acts of the 77th Legislature, Regular
7 Session, 2001, is amended to read as follows:

8 (b) A person may not be a member of the board of directors of
9 the Rural Foundation and may not be a foundation employee employed
10 in a "bona fide executive, administrative, or professional
11 capacity," as that phrase is used for purposes of establishing an
12 exemption to the overtime provisions of the federal Fair Labor
13 Standards Act of 1938 (29 U.S.C. Section 201 et seq.), as amended,
14 if:

15 (1) the person is an officer, employee, or paid
16 consultant of a Texas trade association that is in the field of
17 health care or that contracts with the foundation; or

18 (2) the person's spouse is an officer, manager, or paid
19 consultant of a Texas trade association that is in the field of
20 health care or that contracts with the foundation.

21 SECTION 13. Section 110.005(c), Health and Safety Code, as
22 added by Chapter 1221, Acts of the 77th Legislature, Regular
23 Session, 2001, is amended to read as follows:

24 (c) If the executive director of the Office of Rural
25 Community Affairs [~~Center for Rural Health Initiatives~~] has
26 knowledge that a potential ground for removal exists, the executive
27 director shall notify the presiding officer of the board of

1 directors of the Rural Foundation of the potential ground. The
2 presiding officer shall then notify the governor and the attorney
3 general that a potential ground for removal exists. If the
4 potential ground for removal involves the presiding officer, the
5 executive director shall notify the next highest ranking officer of
6 the board of directors, who shall then notify the governor and the
7 attorney general that a potential ground for removal exists.

8 SECTION 14. Section 110.010, Health and Safety Code, as
9 added by Chapter 1221, Acts of the 77th Legislature, Regular
10 Session, 2001, is amended to read as follows:

11 Sec. 110.010. MEMORANDUM OF UNDERSTANDING. The Rural
12 Foundation and the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] shall enter into a memorandum of
14 understanding that:

15 (1) requires the board of directors and staff of the
16 foundation to report to the executive director and executive
17 committee of the Office of Rural Community Affairs [~~Center for~~
18 ~~Rural Health Initiatives~~];

19 (2) allows the Office of Rural Community Affairs
20 [~~Center for Rural Health Initiatives~~] to provide staff functions to
21 the foundation;

22 (3) allows the Office of Rural Community Affairs
23 [~~Center for Rural Health Initiatives~~] to expend funds on the
24 foundation; and

25 (4) outlines the financial contributions to be made to
26 the foundation from funds obtained from grants and other sources.

27 SECTION 15. Section 110.011(a), Health and Safety Code, as

1 added by Chapter 1221, Acts of the 77th Legislature, Regular
2 Session, 2001, is amended to read as follows:

3 (a) The Rural Foundation shall maintain financial records
4 and reports independently from those of the Office of Rural
5 Community Affairs [~~Center for Rural Health Initiatives~~].

6 SECTION 16. Section 110.012, Health and Safety Code, as
7 added by Chapter 1221, Acts of the 77th Legislature, Regular
8 Session, 2001, is amended to read as follows:

9 Sec. 110.012. REPORT TO OFFICE OF RURAL COMMUNITY
10 AFFAIRS [~~CENTER FOR RURAL HEALTH INITIATIVES~~]. Not later than the
11 60th day after the last day of the fiscal year, the Rural Foundation
12 shall submit to the Office of Rural Community Affairs [~~Center for~~
13 ~~Rural Health Initiatives~~] a report itemizing all income and
14 expenditures and describing all activities of the foundation during
15 the preceding fiscal year.

16 SECTION 17. Section 155.1025(a), Occupations Code, is
17 amended to read as follows:

18 (a) The board shall adopt rules for expediting any
19 application for a license under this subtitle made by a person who
20 is licensed to practice medicine in another state or country and who
21 submits an affidavit with the application stating that:

22 (1) the applicant intends to practice in a rural
23 community, as determined by the Office of Rural Community Affairs
24 [~~Center for Rural Health Initiatives~~]; or

25 (2) the applicant intends to:

26 (A) accept employment with an entity located in a
27 medically underserved area or health professional shortage area,

1 designated by the United States Department of Health and Human
2 Services, and affiliated with or participating in a public
3 university-sponsored graduate medical education program;

4 (B) serve on the faculty of the public
5 university-sponsored graduate medical education program; and

6 (C) engage in the practice of medicine and
7 teaching in a specialty field of medicine that is necessary to
8 obtain or maintain the accreditation of the public
9 university-sponsored graduate medical education program by the
10 Accreditation Council for Graduate Medical Education.

11 SECTION 18. Section 531.02172, Government Code, as amended
12 by Chapters 661 and 959, Acts of the 77th Legislature, Regular
13 Session, 2001, is reenacted and amended to read as follows:

14 Sec. 531.02172. TELEMEDICINE ADVISORY COMMITTEE. (a) The
15 commissioner shall establish an advisory committee to assist the
16 commission in:

17 (1) evaluating policies for telemedical consultations
18 under Section 531.0217;

19 (2) evaluating policies for telemedicine medical
20 services or telehealth services pilot programs established under
21 Section 531.02171;

22 (3) ensuring the efficient and consistent development
23 and use of telecommunication technology for telemedical
24 consultations and telemedicine medical services or telehealth
25 services reimbursed under government-funded health programs;

26 (4) monitoring the type of programs receiving
27 reimbursement under Sections 531.0217 and 531.02171; and

1 (5) coordinating the activities of state agencies
2 concerned with the use of telemedical consultations and
3 telemedicine medical services or telehealth services.

4 (b) The advisory committee must include:

5 (1) representatives of health and human services
6 agencies and other state agencies concerned with the use of
7 telemedical consultations in the Medicaid program and the state
8 child health plan program, including representatives of:

9 (A) the commission;

10 (B) the Texas Department of Health;

11 (C) the Office of Rural Community Affairs [~~Center~~
12 ~~for Rural Health Initiatives~~];

13 (D) the Telecommunications Infrastructure Fund
14 Board;

15 (E) the Texas Department of Insurance;

16 (F) the Texas State Board of Medical Examiners;

17 (G) the Board of Nurse Examiners; and

18 (H) the Texas State Board of Pharmacy;

19 (2) representatives of health science centers in this
20 state;

21 (3) experts on telemedicine, telemedical
22 consultation, and telemedicine medical services or telehealth
23 services; and

24 (4) representatives of consumers of health services
25 provided through telemedical consultations and telemedicine
26 medical services or telehealth services.

27 (c) A member of the advisory committee serves at the will of

1 the commissioner.

2 SECTION 19. The following provisions are repealed:

3 (1) Section 106.025(a), Health and Safety Code, as
4 amended by Section 1, Chapter 435, Acts of the 77th Legislature,
5 Regular Session, 2001;

6 (2) Section 106.029, Health and Safety Code, as added
7 by Section 1, Chapter 1113, Acts of the 77th Legislature, Regular
8 Session, 2001; and

9 (3) Section 106.043(b), Health and Safety Code, as
10 amended by Section 10, Chapter 874, Acts of the 77th Legislature,
11 Regular Session, 2001.

12 SECTION 20. This Act takes effect September 1, 2003.

H.B. No. 1877

President of the Senate

Speaker of the House

I certify that H.B. No. 1877 was passed by the House on April 30, 2003, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 1877 was passed by the Senate on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____
Date

Governor

President of the Senate

Speaker of the House

I certify that H.B. No. 1877[✓] was passed by the House
(1)
on April 30[✓], 2003, by a non-record^{✓✓} vote.
(2)

Chief Clerk of the House

I certify that H.B. No. 1877[✓] was passed by the Senate
on May 28[✓], 2003, by the following vote:
(3)
Yeas 31[✓], Nays 0[✓]
(4) (5)

Secretary of the Senate

APPROVED:

Date

Governor

**** Preparation: CT26;

CKT

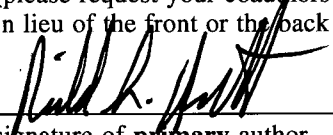
78TH LEGISLATURE

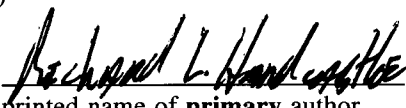
COAUTHOR AUTHORIZATION

(please request your coauthors to sign this form
in lieu of the front or the back of the original bill)

Bill or Resolution Number:

HB 1877


signature of primary author


printed name of primary author

3-6-03
Date

PERMISSION TO SIGN HB 1877 HAS BEEN GIVEN TO (check only one of the following):
(bill or resolution #)

☒ ALL REPRESENTATIVES
☐ THE FOLLOWING REPRESENTATIVE(S):

I authorize the Chief Clerk to include my name as a coauthor of the legislation indicated above:

<u>A2115 Allen</u>	<u> </u> Date	<u>A2450 Cook, Byron</u>	<u> </u> Date	<u>A2795 Farabee</u>	<u> </u> Date
<u>A2125 Alonzo</u>	<u> </u> Date	<u>A2565 Cook, Robert "Robby"</u>	<u> </u> Date	<u>A2810 Farrar</u>	<u> </u> Date
<u>A2160 Bailey</u>	<u> </u> Date	<u>A2595 Corte</u>	<u> </u> Date	<u>A2840 Flores</u>	<u> </u> Date
<u>A2170 Baxter</u>	<u> </u> Date	<u>A2605 Crabb</u>	<u> </u> Date	<u>A2850 Flynn</u>	<u> </u> Date
<u>A2205 Berman</u>	<u> </u> Date	<u>A2610 Craddick</u>	<u> </u> Date	<u>A2920 Gallego</u>	<u> </u> Date
<u>A2230 Bohac</u>	<u> </u> Date	<u>A2640 Crownover</u>	<u> </u> Date	<u>A2925 Garza</u>	<u> </u> Date
<u>A2250 Bonnen</u>	<u> </u> Date	<u>A2620 Davis, John</u>	<u> </u> Date	<u>A2960 Gattis</u>	<u> </u> Date
<u>A2280 Branch</u>	<u> </u> Date	<u>A2625 Davis, Yvonne</u>	<u> </u> Date	<u>A2945 Geren</u>	<u> </u> Date
<u>A2265 Brown, Betty</u>	<u> </u> Date	<u>A2635 Dawson</u>	<u> </u> Date	<u>A2935 Giddings</u>	<u> </u> Date
<u>A2270 Brown, Fred</u>	<u> </u> Date	<u>A2680 Delisi</u>	<u> </u> Date	<u>A2985 Goodman</u>	<u> </u> Date
<u>A2255 Burnam</u>	<u> </u> Date	<u>A3385 Denny</u>	<u> </u> Date	<u>A2990 Goolsby</u>	<u> </u> Date
<u>A2295 Callegari</u>	<u> </u> Date	<u>A2690 Deshotel</u>	<u> </u> Date	<u>A3010 Griggs</u>	<u> </u> Date
<u>A2290 Campbell</u>	<u> </u> Date	<u>A2705 Driver</u>	<u> </u> Date	<u>A3020 Grusendorf</u>	<u> </u> Date
<u>A2350 Canales</u>	<u> </u> Date	<u>A2665 Dukes</u>	<u> </u> Date	<u>A3045 Guillen</u>	<u> </u> Date
<u>A2300 Capelo</u>	<u> </u> Date	<u>A2660 Dunnam</u>	<u> </u> Date	<u>A3030 Gutierrez</u>	<u> </u> Date
<u>A2490 Casteel</u>	<u> </u> Date	<u>A2650 Dutton</u>	<u> </u> Date	<u>A3035 Haggerty</u>	<u> </u> Date
<u>A2495 Castro</u>	<u> </u> Date	<u>A2770 Edwards</u>	<u> </u> Date	<u>A3050 Hamilton</u>	<u> </u> Date
<u>A2585 Chavez</u>	<u> </u> Date	<u>A2775 Eiland</u>	<u> </u> Date	<u>A2695 Hamric</u>	<u> </u> Date
<u>A2480 Chisum</u>	<u> </u> Date	<u>A2780 Eissler</u>	<u> </u> Date	<u>A3160 Hardcastle</u>	<u> </u> Date
<u>A2525 Christian</u>	<u> </u> Date	<u>A2785 Elkins</u>	<u> </u> Date	<u>A3165 Harper-Brown</u>	<u> </u> Date
<u>A2435 Coleman</u>	<u> </u> Date	<u>A2790 Ellis</u>	<u> </u> Date	<u>A3170 Hartnett</u>	<u> </u> Date

A3180 Heflin	Date	A3715 Madden	Date	A4220 Riddle	Date
A3190 Hegar	Date	A3750 Marchant	Date	A4250 Ritter	Date
A3250 Hilderbran	Date	A2835 Martinez Fischer	Date	A4270 Rodriguez	Date
A3275 Hill	Date	A3665 McCall	Date	A4350 Rose	Date
A3305 Hochberg	Date	A3650 McClendon	Date	A4420 Seaman	Date
A3290 Hodge	Date	A3845 McReynolds	Date	A4525 Smith, Todd	Date
A3325 Homer	Date	A3830 Menendez	Date	A4540 Smith, Wayne	Date
A3320 Hope	Date	A3815 Mercer	Date	A4530 Smithee	Date
A3330 Hopson	Date	A3840 Merritt	Date	A4550 Solis	Date
A3315 Howard	Date	A3835 Miller	Date	A4505 Solomons	Date
A3340 Hughes	Date	A3855 Moreno, Joe	Date	A4560 Stick	Date
A3355 Hunter	Date	A3860 Moreno, Paul	Date	A4570 Swinford	Date
A3360 Hupp	Date	A3870 Morrison	Date	A4585 Talton	Date
A3375 Isett	Date	A3865 Mowery	Date	A4600 Taylor	Date
A3405 Jones, Delwin	Date	A3885 Naishtat	Date	A4605 Telford	Date
A3420 Jones, Elizabeth	Date	A3895 Nixon	Date	A4630 Thompson	Date
A3400 Jones, Jesse	Date	A3900 Noriega	Date	A4650 Truitt	Date
A3475 Keel	Date	A3880 Oliveira	Date	A4685 Turner	Date
A3410 Keffer, Bill	Date	A3886 Olivo	Date	A4695 Uresti	Date
A3480 Keffer, Jim	Date	A4100 Paxton	Date	A4700 Van Arsdale	Date
A3470 King	Date	A4140 Pena	Date	A4800 Villarreal	Date
A3495 Kolkhorst	Date	A4160 Phillips	Date	A4995 West	Date
A3485 Krusee	Date	A4180 Pickett	Date	A5000 Wilson	Date
A3450 Kuempel	Date	A4185 Pitts	Date	A5020 Wise	Date
A3510 Laney	Date	A4200 Puente	Date	A5015 Wohlgemuth	Date
A3540 Laubenberg	Date	A4230 Quintanilla	Date	A4980 Wolens	Date
A3605 Lewis	Date	A4240 Rangel	Date	A4985 Wong	Date
A3620 Luna	Date	A4215 Raymond	Date	A5005 Woolley	Date
A3700 Mabry	Date	A4236 Reyna	Date	A5150 Zedler	Date

for chief clerk use only

Bill or Resolution Number:

HB 1877

JOINT AUTHOR AUTHORIZATION

As primary author of HB 1877 I hereby authorize the following joint author(s):
(bill or resolution #)

Wayne Christian
printed name of joint author #1

[Signature]
signature of joint author #1

APR 28 2003

Bryan Hughes
printed name of joint author #2

[Signature]
signature of joint author #2

APR 28 2003

printed name of joint author #3

signature of joint author #3

printed name of joint author #4

signature of joint author #4

[Signature]
signature of primary author

date

relating to creating the rural physician relief program.

MAR 06 2003
Filed with the Chief Clerk

MAR 11 2003
Read first time and referred to Committee on Public Health

APR 08 2003
Reported favorably ()
(as substituted)

APR 14 2003
Sent to Committee on (Calendars)
()

APR 29 2003
Read second time (comm. subst.) (amended); passed to third reading () by a (non-record vote)
()

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
by a vote of _____ yeas, _____ nays, _____ present, not voting

APR 30 2003
Read third time (); finally passed () by a (non-record vote)
()

MAY 01 2003
Engrossed

MAY 01 2003
Sent to Senate

Robert Haney
CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

MAY 0 1 2003 Received from the House
 MAY 0 6 2003 Read and referred to Committee on INTERGOVERNMENTAL RELATIONS
 MAY 1 6 2003 Reported favorably _____
 _____ Reported adversely, with favorable Committee Substitute; Committee Substitute read first time
 _____ Ordered not printed
 MAY 2 8 2003 Laid before the Senate
 _____ Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
 _____ (_____ yeas, _____ nays)
 MAY 2 8 2003 Read second time, _____, and passed to third reading by (unanimous consent)
 _____ (a-viva voce vote)
 _____ (_____ yeas, _____ nays)
 MAY 2 8 2003 Senate and Constitutional 3 Day Rules suspended by a vote of 31 yeas, 0 nays
 MAY 2 8 2003 Read third time, _____, and passed by (a-viva voce vote)
 _____ (31 yeas, 0 nays)
 _____ relating to creating the rural physician relief program.
 May 28, 2003 Returned to the House

 SECRETARY OF THE SENATE

OTHER SENATE ACTION:

MAY 28 2003

Returned from the Senate (~~amended~~)

(~~vote~~)

House concurred in Senate amendments by a (non-record vote)

(record vote of _____ yeas, _____ nays, _____ present, not voting)

House refused to concur in Senate amendments and requested the appointment of a conference committee by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

House conferees appointed: _____, Chair; _____,

_____, _____, _____,

Senate granted House request. Senate conferees appointed: _____, Chair;

_____, _____, _____,

Conference committee report adopted (rejected) by the House by a (non-record vote)

(record vote of _____ yeas, _____ nays, _____ present, not voting)

Conference committee report adopted (rejected) by the Senate by a (viva voce vote)

(record vote of _____ yeas, _____ nays)

03 APR 12 PM 3:13

U.S. HOUSE OF REPRESENTATIVES